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SEMICONDUCTOR, INC., MATROX
7 ELECTRONIC SYSTEMS LTD.,
MATROX GRAPHICS INC., MATROX
8 INTERNATIONAL CORP., MATROX
TECH, INC., and AEROFLEX COLORADO
9 SPRINGS, INC.

10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 RICOH COMPANY, LTD.,

14 Plaintiff,

15 vs.

16 AEROFLEX INCORPORATED, AMI
SEMICONDUCTOR, INC., MATROX
17 ELECTRONIC SYSTEMS LTD., MATROX
GRAPHICS INC., MATROX
18 INTERNATIONAL CORP., MATROX TECH,
INC., AND AEROFLEX COLORADO
19 SPRINGS, INC.

20 Defendants.

21 SYNOPSYS, INC.,

22 Plaintiff,

23 vs.

24 RICOH COMPANY, LTD.,

25 Defendant.

Case No. C03-04669 MJJ (EMC)

Case No. C03-02289 MJJ (EMC)

**DEFENDANTS' MOTION FOR LEAVE TO
AMEND THEIR ANSWERS AND
COUNTERCLAIMS**

Date: December 13, 2005
Time: 9:30 AM
Ctrm: 11, 19th Floor
Hon. Martin J. Jenkins

1 Aeroflex Incorporated, AMI Semiconductor, Inc., Matrox Electronic Systems Ltd., Matrox
 2 Graphics Inc., Matrox International Corp., Matrox Tech, Inc., and Aeroflex Colorado Springs, Inc.
 3 (“Defendants”) submit this motion for leave to file their amended answers and counterclaims pursuant
 4 to Fed. R. Civ. P. 15(a) to clarify their defenses and detail additional defenses.

5 **I. NATURE AND STAGE OF PROCEEDINGS**

6 Plaintiff, Ricoh Company, Ltd. (“Rico”), filed its Amended Complaint on April 12, 2004,
 7 asserting infringement by Defendants of U.S. Patent No. 4,922,432 (“the ‘432 patent”). Defendants
 8 have timely filed their answers and counterclaims.

9 Discovery in this case was stayed from May 5, 2004 until July 22, 2005. Neither final
 10 infringement contentions nor final invalidity contentions have been completed. Additionally, 30(b)(6)
 11 depositions of the Defendants have not yet been scheduled. The current close of fact discovery is
 12 January 27, 2006. However, the parties are currently negotiating an extension to the schedule that
 13 would include the Defendants’ 30(b)(6) depositions in January and February of 2006, move the close
 14 of fact discovery until May of 2006, and move the trial date to November or December of 2006. *See*
 15 Declaration of Jaclyn C. Fink (“Fink Decl.”), ¶ 2.

16 On October 25, 2005, the Defendants requested that Rico stipulate to allow the amendment.
 17 *See* Fink Decl., Exh. A. On October 28, 2005, Rico declined on the basis of prejudice and futility.
 18 *See* Fink Decl., Exh. B.

19 **II. SUMMARY OF THE ARGUMENT**

20 Leave to amend should be granted because the proposed amended answer clarifies Defendants’
 21 previously pleaded defenses and promotes the policy of determining the case on the merits. *See*
 22 proposed Amended Answers and Counterclaims attached hereto as Exh. 1-7. Additionally, there is no
 23 cognizable justification for denial of Defendants’ motion for leave to amend.

24 **A. Leave Should Be Granted Because Justice So Requires**

25 Although leave of Court must be obtained for Defendants to amend their pleadings, that leave
 26 “shall be freely given when justice so requires.” Fed. R. Civ. P. 15(a); *see also Eminence Capital, LLC*
 27 *v. Aspeon, Inc.*, 316 F.3d 1048, 1051 (9th Cir. 2003) (“This policy is to applied with extreme
 28

liberality.”) (internal quotes removed); *Foman v. Davis*, 371 U.S. 178, 182 (1962) (“If the underlying facts or circumstances relied upon by a plaintiff may be a proper subject of relief, he ought to be afforded an opportunity to test his claims on the merits.”); *Enzo Life Sciences, Inc. v. Digene Corp.*, 270 F.Supp.2d 484, 487 (D. Del. 2003) (“[L]eave should be freely granted unless there is an apparent reason for denying a request.”).

First, with regard to the invalidity and laches defenses, the proposed amended answer merely shortens the paragraphs that describe the defenses. These changes merely clarify the defense claims.

Additionally, the proposed amended answer includes two estoppel defenses. The first estoppel defense is based on the facts that were already stated under the laches defense (Paragraph Nos. 61 to 64) of the original answer to the amended complaint. These facts clearly support a defense claim of estoppel. The second estoppel defense is based on separate facts relating to the prosecution history of the ‘432 patent. Prosecution history estoppel has already been litigated in this case, and thus, it is actually already at issue. Therefore, this amendment merely conforms the pleading to what has already been addressed in this litigation.

The proposed amended answer also adds the defense of authorization and consent. As a matter of law, Ricoh is precluded under 28 U.S.C. § 1498 from recovering any damages for the sales of any accused products made to or for the United States federal government. Section 1498(a) provides in pertinent part:

Whenever a patented invention described in and covered by a patent of the United States is used or manufactured by or for the United States without license ... *the owner’s remedy shall be by action against the United States in the United States Court of Federal Claims* for the recovery of his reasonable and entire compensation for such use and manufacture.... [T]he use or manufacture of an invention described in and covered by a patent of the United States *by a contractor, a subcontractor, or any person, firm, or corporation for the Government* and with the authorization and consent of the Government, shall be construed as use or manufacture for the United States.

28 U.S.C. § 1498(a) (emphasis added).

In addition to giving the U.S. Court of Federal Claims exclusive jurisdiction over patent infringement suits against the government, section 1498(a) also provides an affirmative defense for applicable government contractors and subcontractors. *Crater Corp. v. Lucent Technologies Inc.*, 255

1 F.3d 1361, 1364 (Fed. Cir. 2001) (citing *Virginia Panel Corp. v. MAC Panel Co.*, 133 F.3d 860, 869
 2 (Fed. Cir. 1997)). In other words, a private party cannot be held liable for infringement of any
 3 products used or manufactured by or for the U.S. government. *Crater Corp.*, 255 F.3d at 1364 (citing
 4 *Trojan, Inc. v. Shat-R-Shield, Inc.*, 885 F.2d 854, 856 (Fed. Cir. 1989); *W.L. Gore & Assocs., Inc. v.*
 5 *Garlock, Inc.*, 842 F.2d 1275, 1282-83 (Fed. Cir. 1988)).

6 In *Crater Corp.*, the Federal Circuit affirmed the trial court's grant of summary judgment in
 7 favor of the alleged infringer on its affirmative defense under 28 U.S.C. section 1498(a) and affirmed
 8 the dismissal of the patentee's claims. *Crater Corp.*, 255 F.3d at 1369. The court found that Lucent,
 9 the allegedly infringing subcontractor, manufactured the accused devices for the U.S. government,
 10 pursuant to a government contract. *Id.* at 1368-69. *See also W.L. Gore & Assocs.*, 842 F.2d at 1283
 11 (holding that under Section 1498(a) it was unnecessary to modify an injunction to allow a
 12 subcontractor "to ... participate in the sale to the government of [infringing] products.")

13 Finally, the proposed amended answer adds the defense of a recovery bar under 35 U.S.C.
 14 § 286. Section 286 expressly limits recovery in patent infringement actions to infringement committed
 15 within six years of filing the complaint. Section 286 precludes any damages claim by Ricoh for
 16 alleged infringement that occurred more than six years before the complaint filing date, and it
 17 eliminates the need to litigate matters that occurred outside this time limitation. The parties have
 18 agreed that (subject to potential laches and estoppel claims) the damages period at most extends back
 19 to 1997 (or six years before filing). Thus, this issue, too, is already part of the case, and adding this
 20 defense merely conforms the answer to the issues being litigated.

21 **B. Leave Should Be Granted**

22 There is no justification for denying leave to amend here. In *Foman*, 371 U.S. at 182, the
 23 United States Supreme Court listed the circumstances that would justify a denial of leave:

24 In the absence of any apparent or declared reason – such as undue delay, bad faith or
 25 dilatory motive on the part of the movant, repeated failure to cure deficiencies by
 26 amendments previously allowed, undue prejudice to the opposing party by virtue of
 allowance of the amendment, futility of the amendment, etc., the leave sought should,
 as the rule requires, be “freely given.”

1 Additionally, “the nonmovant bears the burden of showing why amendment should not be granted.”
 2 *Senza-Gel Corp. v. Seiffhart*, 803 F.2d 661, 666 (9th Cir. 1986). Ricoh cannot meet its burden of
 3 showing why Defendants’ motion for leave to amend should not be granted.

4 **1. No Undue Delay**

5 The Ninth Circuit has stated that “[d]elay alone does not provide sufficient grounds for denying
 6 leave to amend.” *Hurn v. Retirement Fund Trust of Heating and Piping Industry of Southern*
 7 *California*, 648 F.2d 1252, 1254 (9th Cir. 1981). In fact, the Ninth Circuit stated that “[w]here there is
 8 a lack of prejudice to the opposing party and the amended complaint is so obviously not frivolous, or
 9 made as a dilatory maneuver in bad faith, it is an abuse of discretion to deny such a motion.” *Id.* In
 10 one case, the Ninth Circuit even held that a district court abused its discretion when it denied a motion
 11 to amend made *five years* after the filing of the original complaint. *Howey v. United States*, 481 F.2d
 12 1187, 1190 (9th Cir. 1973). Thus, a delay by Defendants in filing their motion for leave to amend is
 13 not, by itself, sufficient to justify denial of leave to amend.

14 **2. No Prejudice**

15 Ricoh will not be prejudiced by amendment. Prejudice can result if there is inadequate time to
 16 complete discovery. There is no such prejudice here. As set forth above, there is ample time to
 17 complete discovery on the Section 1498 claims. Indeed, the Customer Defendants are in the process of
 18 producing documentation to support the defense. The 30(b)(6) depositions of the Customer
 19 Defendants have not yet been started, and the current proposal does not anticipate them beginning
 20 before January 2006. Thus, Ricoh will be in a position to question the Customer Defendants about the
 21 defense and the documents. And, this is not a defense that is subject to much attack in any event – if
 22 the sales were to the United States government, the sales are immune from damages. No discovery
 23 will change the basic facts.

24 Moreover, prejudice must be substantial to justify denial of leave to amend. See *Morongo*
 25 *Band of Mission Indians v. Rose*, 893 F.2d 1074, 1079 (9th Cir. 1990). In *Genentech, Inc. v. Abbott*
 26 *Laboratories*, 127 F.R.D. 529, 531 (N.D. Cal. 1989), the court considered a motion for leave to amend
 27 that, if granted, would require the non-moving party to depose numerous witnesses across the country
 28

1 who had been previously questioned; would necessitate additional document searches and written
2 discovery; and would postpone the trial date. The court held that those circumstances “did not
3 constitute undue prejudice” and granted the leave to amend. *Id.*

4 In another case, leave to amend to include a 28 U.S.C. § 1498 defense was granted shortly
5 before trial. *TM Patents v. IBM*, 107 F. Supp. 2d 352, 354 (S.D.N.Y. 2000). The court found that
6 adding the § 1498 defense late in the case was not prejudicial, even long after the close of discovery.
7 The Court found that the defense was not an issue of infringement, but merely an issue of damages,
8 and concluded that plaintiff’s suggestion that an earlier assertion of the defense would have altered its
9 discovery strategy was “ludicrous.” *Id.*

10 In the instant case, where 30(b)(6) depositions have not even been scheduled, the close of fact
11 discovery is likely to be over six months away, and the currently proposed trial date is more than a year
12 from now, Ricoh will incur very little, if any, prejudice from granting a leave to amend, and certainly
13 not the substantial prejudice required to deny a leave.

14 3. No Futility

15 Finally, Ricoh makes no showing that Defendants’ leave to amend will be futile. The Ninth
16 Circuit has stated that “a proposed amendment is futile only if no set of facts can be proved under the
17 amendment to the pleadings that would constitute a valid and sufficient claim or defense.” *Miller v.*
18 *Rykoff-Sexton, Inc.*, 845 F.2d 209, 214 (9th Cir. 1988). Additionally, unless the reason for denial is
19 “apparent,” a district court must make written findings explaining why an amendment would be futile.
20 See *Roth v. Garcia Marquez*, 942 F.2d 617, 628-29 (9th Cir. 1991). Ricoh has not made any showing
21 of futility, much less met its high burden of showing that no set of facts under the amendment would
22 constitute a valid and sufficient defense.

1 **III. CONCLUSION**

2 For the foregoing reasons, Defendants respectfully request that this Court grant their motion for
3 leave to file their amended answers and counterclaims.

4 Dated: November 8, 2005

Respectfully submitted,

5 HOWREY LLP

6
7 By: /s/Denise M. De Mory

8 Denise M. De Mory
9 Attorneys for Defendants
10 AEROFLEX INCORPORATED, AMI
11 SEMICONDUCTOR, INC., MATROX
12 ELECTRONIC SYSTEMS, LTD.,
13 MATROX GRAPHICS INC., MATROX
14 INTERNATIONAL CORP., MATROX
15 TECH, INC., and AEROFLEX
16 COLORADO SPRINGS, INC.
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10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 RICOH COMPANY, LTD.,

14 Plaintiff,

15 vs.

16 AEROFLEX INCORPORATED, AMI
SEMICONDUCTOR, INC., MATROX
17 ELECTRONIC SYSTEMS LTD., MATROX
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18 INTERNATIONAL CORP., MATROX TECH,
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19 SPRINGS, INC.

20 Defendants.

21 SYNOPSYS, INC.,

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23 vs.

24 RICOH COMPANY, LTD.,

25 Defendant.

Case No. C03-04669 MJJ (EMC)

Case No. C03-02289 MJJ (EMC)

**AMENDED ANSWER AND
COUNTERCLAIMS OF DEFENDANT
AEROFLEX COLORADO SPRINGS, INC.
TO AMENDED COMPLAINT FOR
PATENT INFRINGEMENT**

1 Defendant Aeroflex Colorado Springs, Inc. ("UTMC") for its Amended Answer to the
2 Amended Complaint and for its Counterclaims, hereby responds to the numbered paragraphs of the
3 Amended Complaint filed by Ricoh Company, Ltd. ("Rico"), and in doing so denies the allegations of
4 the Amended Complaint except as specifically stated:

5 **PARTIES**

6 1. Upon information and belief, UTMC admits that plaintiff Ricoh is a corporation
7 organized under the laws of Japan and maintains its principal place of business at 3-6 1-chome,
8 Nakamagome, Tokyo, Japan.

9 2. UTMC admits that Aeroflex is a corporation organized under the laws of the State of
10 Delaware, and maintains its principal place of business at 35 S. Service Road, Plainview, NY 11803.
11 UTMC admits that Aeroflex has consented to the jurisdiction of this Court for this action. Except as
12 expressly admitted, UTMC denies the allegations of Paragraph 2 of the Amended Complaint.

13 3. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
14 Paragraph 3, and on that basis, denies those allegations.

15 4. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
16 Paragraph 4, and on that basis, denies those allegations.

17 5. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
18 Paragraph 5, and on that basis, denies those allegations.

19 6. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
20 Paragraph 6, and on that basis, denies those allegations.

21 7. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
22 Paragraph 7, and on that basis, denies those allegations.

23 8. UTMC admits that UTMC is a wholly-owned subsidiary of Aeroflex, is also known as
24 Aeroflex Microelectronic Solutions, Inc., Aeroflex UTMC Microelectronic Solutions, Inc., and
25 formerly known as United Technologies Microelectronics Center, is a corporation organized under the
26 laws of the State of Delaware, and maintains a place of business at 4350 Centennial Blvd. CO 80907.
27
28

1 UTMC admits that UTMC has consented to the jurisdiction of this Court for this action. Except as
2 expressly admitted, UTMC denies the allegations of Paragraph 8 of the Amended Complaint.

3 JURISDICTION

4 9. UTMC admits that plaintiff's claim purports to arise under the patent laws of the United
5 States, Title 35, and more particularly under 35 U.S.C. §§ 271 et. seq. Except as expressly admitted,
6 UTMC denies the allegations of Paragraph 9 of the Amended Complaint.

7 10. UTMC admits that the Court has subject matter jurisdiction over the allegations of
8 patent infringement in the Amended Complaint pursuant to 28 U.S.C. §§ 1338(a) and 1331. Except as
9 expressly admitted, UTMC denies the allegations of Paragraph 10 of the Amended Complaint.

10 11. UTMC admits that the Court has personal jurisdiction over UTMC. Except as expressly
11 admitted, UTMC denies the allegations of Paragraph 11 of the Amended Complaint.

12 VENUE

13 12. UTMC admits that venue is proper in this judicial district pursuant to 28 U.S.C. § 1391.
14 Except as expressly admitted, UTMC denies the allegations of Paragraph 12 of the Amended
15 Complaint.

16 FACTUAL BACKGROUND

17 13. UTMC admits that United States Patent No. 4,922,432 ("the '432 Patent") entitled
18 "Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional
19 Specifications," issued on May 1, 1990. UTMC admits that the '432 Patent names Hideaki Kobayashi
20 and Masahiro Shindo as inventors. UTMC further admits that a copy of the '432 Patent is attached to
21 the Amended Complaint as Exhibit 1. Except as expressly admitted, UTMC denies the allegations of
22 Paragraph 13 of the Amended Complaint.

23 14. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
24 Paragraph 14, and on that basis, denies those allegations.

25 15. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
26 Paragraph 15, and on that basis, denies those allegations.

PATENT INFRINGEMENT

COUNT 1

16. UTMC repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

17. UTMC denies each and every allegation in Paragraph 17 of the Amended Complaint.

18. UTMC denies each and every allegation in Paragraph 18 of the Amended Complaint.

19. UTMC denies each and every allegation in Paragraph 19 of the Amended Complaint.

20. UTMC denies each and every allegation in Paragraph 20 of the Amended Complaint.

21. UTMC denies each and every allegation in Paragraph 21 of the Amended Complaint.

COUNT 2

22. UTMC repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

23. UTMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 23, and on that basis, denies those allegations.

24. UTMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 24, and on that basis, denies those allegations.

25. UTMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 25, and on that basis, denies those allegations.

26. UTMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 26, and on that basis, denies those allegations.

27. UTMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 27, and on that basis, denies those allegations.

COUNT 3

28. UTMC repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

29. UTMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 29, and on that basis, denies those allegations.

30. UPMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 30, and on that basis, denies those allegations.

31. UTMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 31, and on that basis, denies those allegations.

32. UPMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 32, and on that basis, denies those allegations.

33. UPMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 32, and on that basis, denies those allegations.

COUNT 4

34. UTMC repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

35. UPMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 35, and on that basis, denies those allegations.

36. UTMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 36, and on that basis, denies those allegations.

37. UTMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 37, and on that basis, denies those allegations.

38. UTMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 38, and on that basis, denies those allegations.

39. UTMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 39, and on that basis, denies those allegations.

COUNT 5

40 UTMC repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

41. UTMC lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 41, and on that basis, denies those allegations.

1 42. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
2 Paragraph 42, and on that basis, denies those allegations.

3 43. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
4 Paragraph 43, and on that basis, denies those allegations.

5 44. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
6 Paragraph 44, and on that basis, denies those allegations.

7 45. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
8 Paragraph 45, and on that basis, denies those allegations.

9 **COUNT 6**

10 46. UTMC repeats its responses to the allegations in Paragraphs 1 through 15 of the
11 Amended Complaint.

12 47. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
13 Paragraph 47, and on that basis, denies those allegations.

14 48. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
15 Paragraph 48, and on that basis, denies those allegations.

16 49. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
17 Paragraph 49, and on that basis, denies those allegations.

18 50. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
19 Paragraph 50, and on that basis, denies those allegations.

20 51. UTMC lacks information sufficient to form a belief as to the truth of the allegations of
21 Paragraph 51, and on that basis, denies those allegations.

22 **COUNT 7**

23 52. UTMC repeats its responses to the allegations in Paragraphs 1 through 15 of the
24 Amended Complaint.

25 53. UTMC denies each and every allegation in Paragraph 53 of the Amended Complaint.

26 54. UTMC denies each and every allegation in Paragraph 54 of the Amended Complaint.

27 55. UTMC denies each and every allegation in Paragraph 55 of the Amended Complaint.

28

56. UTMC denies each and every allegation in Paragraph 56 of the Amended Complaint.

57. UTMC denies each and every allegation in Paragraph 57 of the Amended Complaint.

DEFENSES

In further response to the Amended Complaint, Defendant UTMC asserts the following:

FIRST AFFIRMATIVE DEFENSE: INVALIDITY

58. The '432 Patent is invalid and/or unenforceable because it fails to meet one or more of the conditions of patentability set forth in 35 U.S.C. § 101 et seq.

SECOND AFFIRMATIVE DEFENSE: NONINFRINGEMENT

59. UTMC has not and does not willfully or otherwise infringe, contribute to infringement of, or actively induce others to infringe, either literally or by application of the doctrine of equivalents, any claim of the '432 Patent.

60. UTMC has not offered to sell, sold, and/or imported within the United States any product made by a process that infringes any valid claim of the '432 Patent, either directly, indirectly, contributorily, or otherwise, and has not induced others to infringe any valid claim of the '432 Patent.

THIRD AFFIRMATIVE DEFENSE: LACHES

61. Ricoh's claims for relief are barred by the defense of laches.

FOURTH AFFIRMATIVE DEFENSE: ESTOPPEL

62. Ricoh's claims for relief are barred by the defense of estoppel.

FIFTH AFFIRMATIVE DEFENSE: IMPLIED LICENSE

63. Plaintiff is barred from obtaining any relief sought in the Amended Complaint by reason of the existence of an implied license to practice the claims of the '432 Patent between Plaintiff and Synopsys. Plaintiff's action against UTMC is barred by the doctrine of patent exhaustion.

SIXTH AFFIRMATIVE DEFENSE: PROSECUTION HISTORY ESTOPPEL

64. By reason of the arguments presented during the prosecution of the applications for the '432 Patent in the United States Patent and Trademark Office, Ricoh is estopped from construing the claimed inventions of such patent (or any equivalent thereof) as applying to any product made, used, sold, or offered for sale by UTMC.

SEVENTH AFFIRMATIVE DEFENSE: AUTHORIZATION AND CONSENT

65. Ricoh's claims are barred in whole or in part by operation of 28 U.S.C.S. § 1498.

EIGHTH AFFIRMATIVE DEFENSE: TIME LIMITATION ON DAMAGES

66. Ricoh's claims for damages and injunction are barred in whole or in part by operation of the applicable statutes, including 35 U.S.C. § 286.

RESERVATION OF AFFIRMATIVE DEFENSES

67. With discovery still ongoing, UTMC has yet to complete its investigation. UTMC reserves the right to assert any other defenses that discovery may reveal, including unclean hands or inequitable conduct.

COUNTERCLAIMS

Counterplaintiff Aeroflex Colorado Springs, Inc. ("UTMC"), for its counterclaims against Counterdefendant Ricoh Company, Ltd. ("Ricoh"), alleges as follows:

PARTIES

68. UTMC is a corporation organized under the laws of the State of Delaware, and maintains a place of business at 4350 Centennial Blvd. CO 80907

69. Upon information and belief, Ricoh is a corporation organized under the laws of Japan, having its principal place of business at 3-6 1-chome, Nakamagome, Tokyo, Japan.

JURISDICTION AND VENUE

70. Counts 1 through 2 of the counterclaims are based upon the Patent Laws of the United States, Title 35 of the United States Code, § 1 et seq. The Court has jurisdiction over the counterclaims pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202.

71. Ricoh has submitted to the personal jurisdiction of this Court.

72. Venue is proper in this district pursuant to 28 U.S.C. § 1391.

73. There is an actual justiciable case or controversy between UTMC and Ricoh, in this district, arising under the Patent Laws, 35 U.S.C. § 1 et seq. This case or controversy arises by virtue of Ricoh's filing of this suit which purports to allege that UTMC infringes U.S. Patent No. 4,922,432

1 (“the ‘432 Patent”) and UTMC’s Answer thereto, which asserts the invalidity and noninfringement of
2 the ‘432 Patent.

3 **COUNT 1: DECLARATORY JUDGMENT OF INVALIDITY**

4 74. UTMC incorporates by reference Paragraphs 1-73 into this count as though fully set
5 forth herein.

6 75. The ‘432 Patent, entitled “Knowledge Based Method and Apparatus for Designing
7 Integrated Circuits using Functional Specifications” issued on May 1, 1990. Ricoh purports to be the
8 owner of the ‘432 Patent.

9 76. Ricoh has sued UTMC in the present action, alleging infringement of the ‘432 Patent.

10 77. Based on Paragraph 58 above, which is specifically incorporated by reference into this
11 Paragraph, the ‘432 Patent is invalid.

12 78. UTMC requests declaratory judgment that the ‘432 Patent is invalid.

13 **COUNT 2: DECLARATORY JUDGMENT OF NONINFRINGEMENT**

14 79. UTMC incorporates by reference Paragraphs 1-77 into this count as though fully set
15 forth herein.

16 80. Based on Paragraphs 59 and 60 above, which are specifically incorporated by reference
17 into this Paragraph, the ‘432 Patent is not infringed by UTMC.

18 81. UTMC requests declaratory judgment that UTMC has not infringed the ‘432 Patent.

19 **RESERVATION OF COUNTERCLAIMS**

20 82. UTMC reserves the right to assert any other counterclaims that discovery may reveal,
21 including, but not limited to, claims arising out of false or misleading statements to the public and/or
22 customers.

23 **PRAYER FOR RELIEF**

24 WHEREFORE, UTMC respectfully prays for the following relief:

25 A. that this Court deny and all relief requested by Plaintiff in its Amended Complaint and
26 any relief whatsoever, and that the Amended Complaint be dismissed with prejudice;

27 B. that this Court declare the ‘432 Patent invalid;

1 C. that this Court declare the '432 Patent unenforceable;

2 D. that this Court declare that UTMC has not infringed any valid claim of the '432 Patent;

3 E. that this Court declare the case to be exceptional pursuant to 35 U.S.C. § 285 and that
4 costs of this action and attorneys' fees be awarded to UTMC;

5 F. that this Court grant such other and further relief to UTMC as this Court may deem just
6 and equitable and as the Court deems appropriate.

7 **DEMAND FOR JURY TRIAL**

8 Defendant UTMC hereby demands trial by jury in this action.

9 Dated: November __, 2005

Respectfully submitted,

10 HOWREY LLP

11
12 By: _____
13 Denise M. De Mory
14 Attorneys for Defendants
15 AEROFLEX INCORPORATED, AMI
16 SEMICONDUCTOR, INC., MATROX
17 ELECTRONIC SYSTEMS, LTD.,
18 MATROX GRAPHICS INC., MATROX
19 INTERNATIONAL CORP., MATROX
20 TECH, INC., and AEROFLEX
21 COLORADO SPRINGS, INC.
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24
25
26
27
28

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7 ELECTRONIC SYSTEMS LTD.,
MATROX GRAPHICS INC., MATROX
8 INTERNATIONAL CORP., MATROX
TECH, INC., and AEROFLEX COLORADO
9 SPRINGS, INC.

10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 RICOH COMPANY, LTD.,

14 Plaintiff,

15 vs.

16 AEROFLEX INCORPORATED, AMI
SEMICONDUCTOR, INC., MATROX
17 ELECTRONIC SYSTEMS LTD., MATROX
GRAPHICS INC., MATROX
18 INTERNATIONAL CORP., MATROX TECH,
INC., AND AEROFLEX COLORADO
19 SPRINGS, INC.

20 Defendants.

21 SYNOPSYS, INC.,

22 Plaintiff,

23 vs.

24 RICOH COMPANY, LTD.,

25 Defendant.

Case No. C03-04669 MJJ (EMC)

Case No. C03-02289 MJJ (EMC)

**AMENDED ANSWER AND
COUNTERCLAIMS OF DEFENDANT
AEROFLEX INCORPORATED TO
AMENDED COMPLAINT FOR PATENT
INFRINGEMENT**

1 Defendant Aeroflex Incorporated ("Aeroflex") for its Amended Answer to the Amended
2 Complaint and for its Counterclaims, hereby responds to the numbered paragraphs of the Amended
3 Complaint filed by Ricoh Company, Ltd. ("Rico"), and in doing so denies the allegations of the
4 Amended Complaint except as specifically stated:

5 **PARTIES**

6 1. Upon information and belief, Aeroflex admits that plaintiff Ricoh is a corporation
7 organized under the laws of Japan and maintains its principal place of business at 3-6 1-chome,
8 Nakamagome, Tokyo, Japan.

9 2. Aeroflex admits that Aeroflex is a corporation organized under the laws of the State of
10 Delaware, and maintains its principal place of business at 35 S. Service Road, Plainview, NY 11803.
11 Aeroflex admits that Aeroflex has consented to the jurisdiction of this Court for this action. Except as
12 expressly admitted, Aeroflex denies the allegations of Paragraph 2 of the Amended Complaint.

13 3. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of
14 Paragraph 3, and on that basis, denies those allegations.

15 4. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of
16 Paragraph 4, and on that basis, denies those allegations.

17 5. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of
18 Paragraph 5, and on that basis, denies those allegations.

19 6. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of
20 Paragraph 6, and on that basis, denies those allegations.

21 7. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of
22 Paragraph 7, and on that basis, denies those allegations.

23 8. Aeroflex admits that UPMC is a wholly-owned subsidiary of Aeroflex, is also known
24 as Aeroflex Microelectronic Solutions, Inc., Aeroflex UPMC Microelectronic Solutions, Inc., and
25 formerly known as United Technologies Microelectronics Center, is a corporation organized under the
26 laws of the State of Delaware, and maintains a place of business at 4350 Centennial Blvd. CO 80907.

1 Aeroflex admits that UPMC has consented to the jurisdiction of this Court for this action. Except as
2 expressly admitted, Aeroflex denies the allegations of Paragraph 8 of the Amended Complaint.

3 JURISDICTION

4 9. Aeroflex admits that plaintiff's claim purports to arise under the patent laws of the
5 United States, Title 35, and more particularly under 35 U.S.C. §§ 271 et. seq. Except as expressly
6 admitted, Aeroflex denies the allegations of Paragraph 9 of the Amended Complaint.

7 10. Aeroflex admits that the Court has subject matter jurisdiction over the allegations of
8 patent infringement in the Amended Complaint pursuant to 28 U.S.C. §§ 1338(a) and 1331. Except as
9 expressly admitted, Aeroflex denies the allegations of Paragraph 10 of the Amended Complaint.

10 11. Aeroflex admits that the Court has personal jurisdiction over Aeroflex. Except as
11 expressly admitted, Aeroflex denies the allegations of Paragraph 11 of the Amended Complaint.

12 VENUE

13 12. Aeroflex admits that venue is proper in this judicial district pursuant to 28 U.S.C. §
14 1391. Except as expressly admitted, Aeroflex denies the allegations of Paragraph 12 of the Amended
15 Complaint.

16 FACTUAL BACKGROUND

17 13. Aeroflex admits that United States Patent No. 4,922,432 ("the '432 Patent") entitled
18 "Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional
19 Specifications," issued on May 1, 1990. Aeroflex admits that the '432 Patent names Hideaki
20 Kobayashi and Masahiro Shindo as inventors. Aeroflex further admits that a copy of the '432 Patent is
21 attached to the Amended Complaint as Exhibit 1. Except as expressly admitted, Aeroflex denies the
22 allegations of Paragraph 13 of the Amended Complaint.

23 14. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of
24 Paragraph 14, and on that basis, denies those allegations.

25 15. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of
26 Paragraph 15, and on that basis, denies those allegations.

PATENT INFRINGEMENT

COUNT 1

16. Aeroflex repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

17. Aeroflex denies each and every allegation in Paragraph 17 of the Amended Complaint.

18. Aeroflex denies each and every allegation in Paragraph 18 of the Amended Complaint.

19. Aeroflex denies each and every allegation in Paragraph 19 of the Amended Complaint.

20. Aeroflex denies each and every allegation in Paragraph 20 of the Amended Complaint.

21. Aeroflex denies each and every allegation in Paragraph 21 of the Amended Complaint.

COUNT 2

22. Aeroflex repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

23. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 23, and on that basis, denies those allegations.

24. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 24, and on that basis, denies those allegations.

25. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 25, and on that basis, denies those allegations.

26. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 26, and on that basis, denies those allegations.

27. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 27, and on that basis, denies those allegations.

COUNT 3

28. Aeroflex repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

29. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 29, and on that basis, denies those allegations.

30. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 30, and on that basis, denies those allegations.

31. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 31, and on that basis, denies those allegations.

32. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 32, and on that basis, denies those allegations.

33. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 32, and on that basis, denies those allegations.

COUNT 4

34. Aeroflex repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

35. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 35, and on that basis, denies those allegations.

36. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 36, and on that basis, denies those allegations.

37. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 37, and on that basis, denies those allegations.

38. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 38, and on that basis, denies those allegations.

39. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 39, and on that basis, denies those allegations.

COUNT 5

40 Aeroflex repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

41. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 41, and on that basis, denies those allegations.

42. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 42, and on that basis, denies those allegations.

43. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 43, and on that basis, denies those allegations.

44. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 44, and on that basis, denies those allegations.

45. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 45, and on that basis, denies those allegations.

COUNT 6

46. Aeroflex repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

47. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 47, and on that basis, denies those allegations.

48. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 48, and on that basis, denies those allegations.

49. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 49, and on that basis, denies those allegations.

50. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 50, and on that basis, denies those allegations.

51. Aeroflex lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 51, and on that basis, denies those allegations.

COUNT 7

52. Aeroflex repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

53. Aeroflex denies each and every allegation in Paragraph 53 of the Amended Complaint.

54. Aeroflex denies each and every allegation in Paragraph 54 of the Amended Complaint.

55. Aeroflex denies each and every allegation in Paragraph 55 of the Amended Complaint.

56. Aeroflex denies each and every allegation in Paragraph 56 of the Amended Complaint.

57. Aeroflex denies each and every allegation in Paragraph 57 of the Amended Complaint.

DEFENSES

In further response to the Amended Complaint, Defendant Aeroflex asserts the following:

FIRST AFFIRMATIVE DEFENSE: INVALIDITY

58. The '432 Patent is invalid and/or unenforceable because it fails to meet one or more of the conditions of patentability set forth in 35 U.S.C. § 101 et seq.

SECOND AFFIRMATIVE DEFENSE: NONINFRINGEMENT

59. Aeroflex has not and does not willfully or otherwise infringe, contribute to infringement of, or actively induce others to infringe, either literally or by application of the doctrine of equivalents, any claim of the '432 Patent.

60. Aeroflex has not offered to sell, sold, and/or imported within the United States any product made by a process that infringes any valid claim of the '432 Patent, either directly, indirectly, contributorily, or otherwise, and has not induced others to infringe any valid claim of the '432 Patent.

THIRD AFFIRMATIVE DEFENSE: LACHES

61. Ricoh's claims for relief are barred by the defense of laches.

FOURTH AFFIRMATIVE DEFENSE: ESTOPPEL

62. Ricoh's claims for relief are barred by the defense of estoppel.

FIFTH AFFIRMATIVE DEFENSE: IMPLIED LICENSE

63. Plaintiff is barred from obtaining any relief sought in the Amended Complaint by reason of the existence of an implied license to practice the claims of the '432 Patent between Plaintiff and Synopsys. Plaintiff's action against Aeroflex is barred by the doctrine of patent exhaustion.

SIXTH AFFIRMATIVE DEFENSE: PROSECUTION HISTORY ESTOPPEL

64. By reason of the arguments presented during the prosecution of the applications for the '432 Patent in the United States Patent and Trademark Office, Ricoh is estopped from construing the claimed inventions of such patent (or any equivalent thereof) as applying to any product made, used, sold, or offered for sale by Aeroflex.

SEVENTH AFFIRMATIVE DEFENSE: AUTHORIZATION AND CONSENT

65. Ricoh's claims are barred in whole or in part by operation of 28 U.S.C.S. § 1498.

EIGHTH AFFIRMATIVE DEFENSE: TIME LIMITATION ON DAMAGES

66. Ricoh's claims for damages and injunction are barred in whole or in part by operation of the applicable statutes, including 35 U.S.C. § 286.

RESERVATION OF AFFIRMATIVE DEFENSES

67. With discovery still ongoing, Aeroflex has yet to complete its investigation. Aeroflex reserves the right to assert any other defenses that discovery may reveal, including unclean hands or inequitable conduct.

COUNTERCLAIMS

Counterplaintiff Aeroflex Incorporated ("Aeroflex"), for its counterclaims against Counterdefendant Ricoh Company, Ltd. ("Ricoh"), alleges as follows:

PARTIES

68. Aeroflex is a corporation organized under the laws of Delaware, having its principal place of business at 35 S. Service Road, Plainview, NY 11803.

69. Upon information and belief, Ricoh is a corporation organized under the laws of Japan, having its principal place of business at 3-6 1-chome, Nakamagome, Tokyo, Japan.

JURISDICTION AND VENUE

70. Counts 1 through 2 of the counterclaims are based upon the Patent Laws of the United States, Title 35 of the United States Code, § 1 et seq. The Court has jurisdiction over the counterclaims pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202.

71. Ricoh has submitted to the personal jurisdiction of this Court.

72. Venue is proper in this district pursuant to 28 U.S.C. § 1391.

73. There is an actual justiciable case or controversy between Aeroflex and Ricoh, in this district, arising under the Patent Laws, 35 U.S.C. § 1 et seq. This case or controversy arises by virtue of Ricoh's filing of this suit which purports to allege that Aeroflex infringes U.S. Patent No. 4,922,432

1 (“the ‘432 Patent”) and Aeroflex’s Answer thereto, which asserts the invalidity and noninfringement of
2 the ‘432 Patent.

3 **COUNT 1: DECLARATORY JUDGMENT OF INVALIDITY**

4 74. Aeroflex incorporates by reference Paragraphs 1-73 into this count as though fully set
5 forth herein.

6 75. The ‘432 Patent, entitled “Knowledge Based Method and Apparatus for Designing
7 Integrated Circuits using Functional Specifications” issued on May 1, 1990. Ricoh purports to be the
8 owner of the ‘432 Patent.

9 76. Ricoh has sued Aeroflex in the present action, alleging infringement of the ‘432 Patent.

10 77. Based on Paragraph 58 above, which is specifically incorporated by reference into this
11 Paragraph, the ‘432 Patent is invalid.

12 78. Aeroflex requests declaratory judgment that the ‘432 Patent is invalid.

13 **COUNT 2: DECLARATORY JUDGMENT OF NONINFRINGEMENT**

14 79. Aeroflex incorporates by reference Paragraphs 1-77 into this count as though fully set
15 forth herein.

16 80. Based on Paragraphs 59 and 60 above, which are specifically incorporated by reference
17 into this Paragraph, the ‘432 Patent is not infringed by Aeroflex.

18 81. Aeroflex requests declaratory judgment that Aeroflex has not infringed the ‘432 Patent.

19 **RESERVATION OF COUNTERCLAIMS**

20 82. Aeroflex reserves the right to assert any other counterclaims that discovery may reveal,
21 including, but not limited to, claims arising out of false or misleading statements to the public and/or
22 customers.

23 **PRAYER FOR RELIEF**

24 WHEREFORE, Aeroflex respectfully prays for the following relief:

25 A. that this Court deny and all relief requested by Plaintiff in its Amended Complaint and
26 any relief whatsoever, and that the Amended Complaint be dismissed with prejudice;

27 B. that this Court declare the ‘432 Patent invalid;

1 C. that this Court declare the '432 Patent unenforceable;

2 D. that this Court declare that Aeroflex has not infringed any valid claim of the '432
3 Patent;

4 E. that this Court declare the case to be exceptional pursuant to 35 U.S.C. § 285 and that
5 costs of this action and attorneys' fees be awarded to Aeroflex;

6 F. that this Court grant such other and further relief to Aeroflex as this Court may deem
7 just and equitable and as the Court deems appropriate.

8 **DEMAND FOR JURY TRIAL**

9 Defendant Aeroflex hereby demands trial by jury in this action.

10 Dated: November __, 2005

Respectfully submitted,

11 HOWREY LLP

12
13 By: _____

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AEROFLEX INCORPORATED, AMI
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ELECTRONIC SYSTEMS, LTD.,
MATROX GRAPHICS INC., MATROX
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TECH, INC., and AEROFLEX
COLORADO SPRINGS, INC.

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8 INTERNATIONAL CORP., MATROX
TECH, INC., and AEROFLEX COLORADO
9 SPRINGS, INC.

10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 RICOH COMPANY, LTD.,

14 Plaintiff,

15 vs.

16 AEROFLEX INCORPORATED, AMI
SEMICONDUCTOR, INC., MATROX
17 ELECTRONIC SYSTEMS LTD., MATROX
GRAPHICS INC., MATROX
18 INTERNATIONAL CORP., MATROX TECH,
INC., AND AEROFLEX COLORADO
19 SPRINGS, INC.

20 Defendants.

21 SYNOPSYS, INC.,

22 Plaintiff,

23 vs.

24 RICOH COMPANY, LTD.,

25 Defendant.

Case No. C03-04669 MJJ (EMC)

Case No. C03-02289 MJJ (EMC)

**AMENDED ANSWER AND
COUNTERCLAIMS OF DEFENDANT AMI
SEMICONDUCTOR, INC. TO AMENDED
COMPLAINT FOR PATENT
INFRINGEMENT**

1 Defendant AMI Semiconductor, Inc. ("AMI") for its Amended Answer to the Amended
2 Complaint and for its Counterclaims, hereby responds to the numbered paragraphs of the Amended
3 Complaint filed by Ricoh Company, Ltd. ("Rico"), and in doing so denies the allegations of the
4 Amended Complaint except as specifically stated:

5 **PARTIES**

6 1. Upon information and belief, AMI admits that plaintiff Ricoh is a corporation organized
7 under the laws of Japan and maintains its principal place of business at 3-6 1-chome, Nakamagome,
8 Tokyo, Japan.

9 2. AMI lacks information sufficient to form a belief as to the truth of the allegations of
10 Paragraph 2, and on that basis, denies those allegations.

11 3. AMI admits that AMI is a corporation organized under the laws of Delaware and
12 maintains its principal place of business at 2300 Buckskin Road, Pocatello, ID, 83201. AMI admits
13 that AMI has consented to the jurisdiction of this Court. Except as expressly admitted, AMI denies the
14 allegations of Paragraph 3 of the Amended Complaint.

15 4. AMI lacks information sufficient to form a belief as to the truth of the allegations of
16 Paragraph 4, and on that basis, denies those allegations.

17 5. AMI lacks information sufficient to form a belief as to the truth of the allegations of
18 Paragraph 5, and on that basis, denies those allegations.

19 6. AMI lacks information sufficient to form a belief as to the truth of the allegations of
20 Paragraph 6, and on that basis, denies those allegations.

21 7. AMI lacks information sufficient to form a belief as to the truth of the allegations of
22 Paragraph 7, and on that basis, denies those allegations.

23 8. AMI lacks information sufficient to form a belief as to the truth of the allegations of
24 Paragraph 8, and on that basis, denies those allegations.

JURISDICTION

9. AMI admits that plaintiff's claim purports to arise under the patent laws of the United States, Title 35, and more particularly under 35 U.S.C. §§ 271 et. seq. Except as expressly admitted, AMI denies the allegations of Paragraph 9 of the Amended Complaint.

10. AMI admits that the Court has subject matter jurisdiction over the allegations of patent infringement in the Amended Complaint pursuant to 28 U.S.C. §§ 1338(a) and 1331. Except as expressly admitted, AMI denies the allegations of Paragraph 10 of the Amended Complaint.

11. AMI admits that the Court has personal jurisdiction over AMI. Except as expressly admitted, AMI denies the allegations of Paragraph 11 of the Amended Complaint.

VENUE

12. AMI admits that venue is proper in this judicial district pursuant to 28 U.S.C. § 1391. Except as expressly admitted, AMI denies the allegations of Paragraph 12 of the Amended Complaint.

FACTUAL BACKGROUND

13. AMI admits that United States Patent No. 4,922,432 ("the '432 Patent") entitled "Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional Specifications," issued on May 1, 1990. AMI admits that the '432 Patent names Hideaki Kobayashi and Masahiro Shindo as inventors. AMI further admits that a copy of the '432 Patent is attached to the Amended Complaint as Exhibit 1. Except as expressly admitted, AMI denies the allegations of Paragraph 13 of the Amended Complaint.

14. AMI lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 14, and on that basis, denies those allegations.

15. AMI lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 15, and on that basis, denies those allegations.

PATENT INFRINGEMENT**COUNT 1**

16. AMI repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

1 17. AMI lacks information sufficient to form a belief as to the truth of the allegations of
2 Paragraph 17, and on that basis, denies those allegations.

3 18. AMI lacks information sufficient to form a belief as to the truth of the allegations of
4 Paragraph 18, and on that basis, denies those allegations.

5 19. AMI lacks information sufficient to form a belief as to the truth of the allegations of
6 Paragraph 19, and on that basis, denies those allegations.

7 20. AMI lacks information sufficient to form a belief as to the truth of the allegations of
8 Paragraph 20, and on that basis, denies those allegations.

9 21. AMI lacks information sufficient to form a belief as to the truth of the allegations of
10 Paragraph 21, and on that basis, denies those allegations.

11 **COUNT 2**

12 22. AMI repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended
13 Complaint.

14 23. AMI denies each and every allegation in Paragraph 23 of the Amended Complaint.

15 24. AMI denies each and every allegation of Paragraph 24 of the Amended Complaint.

16 25. AMI denies each and every allegation of Paragraph 25 of the Amended Complaint.

17 26. AMI denies each and every allegation of Paragraph 26 of the Amended Complaint.

18 27. AMI denies each and every allegation of Paragraph 27 of the Amended Complaint.

19 **COUNT 3**

20 28. AMI repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended
21 Complaint.

22 29. AMI lacks information sufficient to form a belief as to the truth of the allegations of
23 Paragraph 29, and on that basis, denies those allegations.

24 30. AMI lacks information sufficient to form a belief as to the truth of the allegations of
25 Paragraph 30, and on that basis, denies those allegations.

26 31. AMI lacks information sufficient to form a belief as to the truth of the allegations of
27 Paragraph 31, and on that basis, denies those allegations.

32. AMI lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 32, and on that basis, denies those allegations.

33. AMI lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 32, and on that basis, denies those allegations.

COUNT 4

34. AMI repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

35. AMI lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 35, and on that basis, denies those allegations.

36. AMI lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 36, and on that basis, denies those allegations.

37. AMI lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 37, and on that basis, denies those allegations.

38. AMI lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 38, and on that basis, denies those allegations.

39. AMI lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 39, and on that basis, denies those allegations.

COUNT 5

40. AMI repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

41. AMI lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 41, and on that basis, denies those allegations.

42. AMI lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 42, and on that basis, denies those allegations.

43. AMI lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 43, and on that basis, denies those allegations.

1 44. AMI lacks information sufficient to form a belief as to the truth of the allegations of
2 Paragraph 44, and on that basis, denies those allegations.

3 45. AMI lacks information sufficient to form a belief as to the truth of the allegations of
4 Paragraph 45, and on that basis, denies those allegations.

5 **COUNT 6**

6 46. AMI repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended
7 Complaint.

8 47. AMI lacks information sufficient to form a belief as to the truth of the allegations of
9 Paragraph 47, and on that basis, denies those allegations.

10 48. AMI lacks information sufficient to form a belief as to the truth of the allegations of
11 Paragraph 48, and on that basis, denies those allegations.

12 49. AMI lacks information sufficient to form a belief as to the truth of the allegations of
13 Paragraph 49, and on that basis, denies those allegations.

14 50. AMI lacks information sufficient to form a belief as to the truth of the allegations of
15 Paragraph 50, and on that basis, denies those allegations.

16 51. AMI lacks information sufficient to form a belief as to the truth of the allegations of
17 Paragraph 51, and on that basis, denies those allegations.

18 **COUNT 7**

19 52. AMI repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended
20 Complaint.

21 53. AMI lacks information sufficient to form a belief as to the truth of the allegations of
22 Paragraph 53, and on that basis, denies those allegations.

23 54. AMI lacks information sufficient to form a belief as to the truth of the allegations of
24 Paragraph 54, and on that basis, denies those allegations.

25 55. AMI lacks information sufficient to form a belief as to the truth of the allegations of
26 Paragraph 55, and on that basis, denies those allegations.

56. AMI lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 56, and on that basis, denies those allegations.

57. AMI lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 57, and on that basis, denies those allegations.

DEFENSES

In further response to the Amended Complaint, Defendant AMI asserts the following:

FIRST AFFIRMATIVE DEFENSE: INVALIDITY

58. The '432 Patent is invalid and/or unenforceable because it fails to meet one or more of the conditions of patentability set forth in 35 U.S.C. § 101 et seq.

SECOND AFFIRMATIVE DEFENSE: NONINFRINGEMENT

59. AMI has not and does not willfully or otherwise infringe, contribute to infringement of, or actively induce others to infringe, either literally or by application of the doctrine of equivalents, any claim of the '432 Patent.

60. AMI has not offered to sell, sold, and/or imported within the United States any product made by a process that infringes any valid claim of the '432 Patent, either directly, indirectly, contributorily, or otherwise, and has not induced others to infringe any valid claim of the '432 Patent.

THIRD AFFIRMATIVE DEFENSE: LACHES

61. Ricoh's claims for relief are barred by the defense of laches.

FOURTH AFFIRMATIVE DEFENSE: ESTOPPEL

62. Ricoh's claims for relief are barred by the defense of estoppel.

FIFTH AFFIRMATIVE DEFENSE: IMPLIED LICENSE

63. Plaintiff is barred from obtaining any relief sought in the Amended Complaint by reason of the existence of an implied license to practice the claims of the '432 Patent between Plaintiff and Synopsys. Plaintiff's action against AMI is barred by the doctrine of patent exhaustion.

SIXTH AFFIRMATIVE DEFENSE: PROSECUTION HISTORY ESTOPPEL

64. By reason of the arguments presented during the prosecution of the applications for the '432 Patent in the United States Patent and Trademark Office, Ricoh is estopped from construing the

1 claimed inventions of such patent (or any equivalent thereof) as applying to any product made, used,
2 sold, or offered for sale by AMI.

3 **SEVENTH AFFIRMATIVE DEFENSE: AUTHORIZATION AND CONSENT**

4 65. Ricoh's claims are barred in whole or in part by operation of 28 U.S.C.S. § 1498.

5 **EIGHTH AFFIRMATIVE DEFENSE: TIME LIMITATION ON DAMAGES**

6 66. Ricoh's claims for damages and injunction are barred in whole or in part by operation
7 of the applicable statutes, including 35 U.S.C. § 286.

8 **RESERVATION OF AFFIRMATIVE DEFENSES**

9 67. With discovery still ongoing, AMI has yet to complete its investigation. AMI reserves
10 the right to assert any other defenses that discovery may reveal, including unclean hands or inequitable
11 conduct.

12 **COUNTERCLAIMS**

13 Counterplaintiff AMI Semiconductor, Inc. ("AMI"), for its counterclaims against
14 Counterdefendant Ricoh Company, Ltd. ("Rico"), alleges as follows:

15 **PARTIES**

16 68. AMI is a corporation organized under the laws of Delaware and maintains its principal
17 place of business at 2300 Buckskin Road, Pocatello, ID, 83201.

18 69. Upon information and belief, Ricoh is a corporation organized under the laws of Japan,
19 having its principal place of business at 3-6 1-chome, Nakamagome, Tokyo, Japan.

20 **JURISDICTION AND VENUE**

21 70. Counts 1 through 2 of the counterclaims are based upon the Patent Laws of the United
22 States, Title 35 of the United States Code, § 1 et seq. The Court has jurisdiction over the
23 counterclaims pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202.

24 71. Ricoh has submitted to the personal jurisdiction of this Court.

25 72. Venue is proper in this district pursuant to 28 U.S.C. § 1391.

26 73. There is an actual justiciable case or controversy between AMI and Ricoh, in this
27 district, arising under the Patent Laws, 35 U.S.C. § 1 et seq. This case or controversy arises by virtue
28

1 of Ricoh's filing of this suit which purports to allege that AMI infringes U.S. Patent No. 4,922,432
 2 ("the '432 Patent") and AMI's Answer thereto, which asserts the invalidity and noninfringement of the
 3 '432 Patent.

4 **COUNT 1: DECLARATORY JUDGMENT OF INVALIDITY**

5 74. AMI incorporates by reference Paragraphs 1-73 into this count as though fully set forth
 6 herein.

7 75. The '432 Patent, entitled "Knowledge Based Method and Apparatus for Designing
 8 Integrated Circuits using Functional Specifications" issued on May 1, 1990. Ricoh purports to be the
 9 owner of the '432 Patent.

10 76. Ricoh has sued AMI in the present action, alleging infringement of the '432 Patent.

11 77. Based on Paragraph 58 above, which is specifically incorporated by reference into this
 12 Paragraph, the '432 Patent is invalid.

13 78. AMI requests declaratory judgment that the '432 Patent is invalid.

14 **COUNT 2: DECLARATORY JUDGMENT OF NONINFRINGEMENT**

15 79. AMI incorporates by reference Paragraphs 1-77 into this count as though fully set forth
 16 herein.

17 80. Based on Paragraphs 59 and 60 above, which are specifically incorporated by reference
 18 into this Paragraph, the '432 Patent is not infringed by AMI.

19 81. AMI requests declaratory judgment that AMI has not infringed the '432 Patent.

20 **RESERVATION OF COUNTERCLAIMS**

21 82. AMI reserves the right to assert any other counterclaims that discovery may reveal,
 22 including, but not limited to, claims arising out of false or misleading statements to the public and/or
 23 customers.

24 **PRAYER FOR RELIEF**

25 WHEREFORE, AMI respectfully prays for the following relief:

26 A. that this Court deny and all relief requested by Plaintiff in its Amended Complaint and
 27 any relief whatsoever, and that the Amended Complaint be dismissed with prejudice;
 28

1 B. that this Court declare the '432 Patent invalid;

2 C. that this Court declare the '432 Patent unenforceable;

3 D. that this Court declare that AMI has not infringed any valid claim of the '432 Patent;

4 E. that this Court declare the case to be exceptional pursuant to 35 U.S.C. § 285 and that
5 costs of this action and attorneys' fees be awarded to AMI;

6 F. that this Court grant such other and further relief to AMI as this Court may deem just
7 and equitable and as the Court deems appropriate.

8 **DEMAND FOR JURY TRIAL**

9 Defendant AMI hereby demands trial by jury in this action.

10 Dated: November ___, 2005

Respectfully submitted,

11 HOWREY LLP

12
13 By: _____

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AEROFLEX INCORPORATED, AMI
SEMICONDUCTOR, INC., MATROX
ELECTRONIC SYSTEMS, LTD.,
MATROX GRAPHICS INC., MATROX
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TECH, INC., and AEROFLEX COLORADO
9 SPRINGS, INC.

10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 RICOH COMPANY, LTD.,

14 Plaintiff,

15 vs.

16 AEROFLEX INCORPORATED, AMI
SEMICONDUCTOR, INC., MATROX
17 ELECTRONIC SYSTEMS LTD., MATROX
GRAPHICS INC., MATROX
18 INTERNATIONAL CORP., MATROX TECH,
INC., AND AEROFLEX COLORADO
19 SPRINGS, INC.

20 Defendants.

21 SYNOPSYS, INC.,

22 Plaintiff,

23 vs.

24 RICOH COMPANY, LTD.,

25 Defendant.

Case No. C03-04669 MJJ (EMC)

Case No. C03-02289 MJJ (EMC)

**AMENDED ANSWER AND
COUNTERCLAIMS OF DEFENDANT
MATROX ELECTRONIC SYSTEMS LTD.
TO AMENDED COMPLAINT FOR
PATENT INFRINGEMENT**

1 Defendant Matrox Electronic Systems Ltd. ("Matrox") for its Answer to the Amended
2 Complaint and for its Counterclaims, hereby responds to the numbered paragraphs of the Amended
3 Complaint filed by Ricoh Company, Ltd. ("Rico"), and in doing so denies the allegations of the
4 Amended Complaint except as specifically stated:

5 **PARTIES**

6 1. Upon information and belief, Matrox admits that plaintiff Ricoh is a corporation
7 organized under the laws of Japan and maintains its principal place of business at 3-6 1-chome,
8 Nakamagome, Tokyo, Japan.

9 2. Matrox lacks information sufficient to form a belief as to the truth of the allegations of
10 Paragraph 2, and on that basis, denies those allegations.

11 3. Matrox lacks information sufficient to form a belief as to the truth of the allegations of
12 Paragraph 3, and on that basis, denies those allegations.

13 4. Matrox admits that Matrox is a corporation organized under the laws of Quebec,
14 Canada, and maintains its principal place of business at 1055 Boul St-Regis, Dorval, Quebec H9P 2T4
15 Canada. Except as expressly admitted, Matrox denies the allegations of Paragraph 4 of the Amended
16 Complaint.

17 5. Matrox lacks information sufficient to form a belief as to the truth of the allegations of
18 Paragraph 5, and on that basis, denies those allegations.

19 6. Matrox lacks information sufficient to form a belief as to the truth of the allegations of
20 Paragraph 6, and on that basis, denies those allegations.

21 7. Matrox lacks information sufficient to form a belief as to the truth of the allegations of
22 Paragraph 7, and on that basis, denies those allegations.

23 8. Matrox lacks information sufficient to form a belief as to the truth of the allegations of
24 Paragraph 8, and on that basis, denies those allegations.

JURISDICTION

9. Matrox admits that plaintiff's claim purports to arise under the patent laws of the United States, Title 35, and more particularly under 35 U.S.C. §§ 271 et. seq. Except as expressly admitted, Matrox denies the allegations of Paragraph 9 of the Amended Complaint.

10. Matrox admits that the Court has subject matter jurisdiction over the allegations of patent infringement in the Amended Complaint pursuant to 28 U.S.C. §§ 1338(a) and 1331. Except as expressly admitted, Matrox denies the allegations of Paragraph 10 of the Amended Complaint.

11. Matrox denies that the Court has personal jurisdiction over Matrox. Except as expressly denied, Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 11, and on that basis, denies those allegations.

VENUE

12. Matrox admits that venue is proper in this judicial district pursuant to 28 U.S.C. § 1391. Except as expressly admitted, Matrox denies the allegations of Paragraph 12 of the Amended Complaint.

FACTUAL BACKGROUND

13. Matrox admits that United States Patent No. 4,922,432 ("the '432 Patent") entitled "Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional Specifications," issued on May 1, 1990. Matrox admits that the '432 Patent names Hideaki Kobayashi and Masahiro Shindo as inventors. Matrox further admits that a copy of the '432 Patent is attached to the Amended Complaint as Exhibit 1. Except as expressly admitted, Matrox denies the allegations of Paragraph 13 of the Amended Complaint.

14. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 14, and on that basis, denies those allegations.

15. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 15, and on that basis, denies those allegations.

PATENT INFRINGEMENT

COUNT 1

16. Matrox repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

17. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 17, and on that basis, denies those allegations.

18. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 18, and on that basis, denies those allegations.

19. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 19, and on that basis, denies those allegations.

20. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 20, and on that basis, denies those allegations.

21. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 21, and on that basis, denies those allegations.

COUNT 2

22. Matrox repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

23. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 23, and on that basis, denies those allegations.

24. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 24, and on that basis, denies those allegations.

25. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 25, and on that basis, denies those allegations.

26. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 26, and on that basis, denies those allegations.

27. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 27, and on that basis, denies those allegations.

COUNT 3

28. Matrox repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

29. Matrox denies 30. Matrox denies 31. Matrox denies 32. Matrox denies 33. Matrox denies each and every allegation in Paragraph 29 of the Amended Complaint. each and every allegation in Paragraph 30 of the Amended Complaint. each and every allegation in Paragraph 31 of the Amended Complaint. each and every allegation in Paragraph 32 of the Amended Complaint. each and every allegation in Paragraph 33 of the Amended Complaint.

COUNT 4

34. Matrox repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

35. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 35, and on that basis, denies those allegations.

36. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 36, and on that basis, denies those allegations.

37. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 37, and on that basis, denies those allegations.

38. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 38, and on that basis, denies those allegations.

39. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 39, and on that basis, denies those allegations.

COUNT 5

40. Matrox repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

41. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 41, and on that basis, denies those allegations.

42. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 42, and on that basis, denies those allegations.

43. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 43, and on that basis, denies those allegations.

44. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 44, and on that basis, denies those allegations.

45. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 45, and on that basis, denies those allegations.

COUNT 6

46. Matrox repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

47. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 47, and on that basis, denies those allegations.

48. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 48, and on that basis, denies those allegations.

49. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 49, and on that basis, denies those allegations.

50. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 50, and on that basis, denies those allegations.

51. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 51, and on that basis, denies those allegations.

COUNT 7

52. Matrox repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

53. Matrox lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 53, and on that basis, denies those allegations.

1 54. Matrox lacks information sufficient to form a belief as to the truth of the allegations of
2 Paragraph 54, and on that basis, denies those allegations.

3 55. Matrox lacks information sufficient to form a belief as to the truth of the allegations of
4 Paragraph 55, and on that basis, denies those allegations.

5 56. Matrox lacks information sufficient to form a belief as to the truth of the allegations of
6 Paragraph 56, and on that basis, denies those allegations.

7 57. Matrox lacks information sufficient to form a belief as to the truth of the allegations of
8 Paragraph 57, and on that basis, denies those allegations.

9 **DEFENSES**

10 In further response to the Amended Complaint, Defendant Matrox asserts the following:

11 **FIRST AFFIRMATIVE DEFENSE: INVALIDITY**

12 58. The '432 Patent is invalid and/or unenforceable because it fails to meet one or more of
13 the conditions of patentability set forth in 35 U.S.C. § 101 et seq.

14 **SECOND AFFIRMATIVE DEFENSE: NONINFRINGEMENT**

15 59. Matrox has not and does not willfully or otherwise infringe, contribute to infringement
16 of, or actively induce others to infringe, either literally or by application of the doctrine of equivalents,
17 any claim of the '432 Patent.

18 60. Matrox has not offered to sell, sold, and/or imported within the United States any
19 product made by a process that infringes any valid claim of the '432 Patent, either directly, indirectly,
20 contributorily, or otherwise, and has not induced others to infringe any valid claim of the '432 Patent.

21 **THIRD AFFIRMATIVE DEFENSE: LACHES**

22 61. Ricoh's claims for relief are barred by the defense of laches.

23 **FOURTH AFFIRMATIVE DEFENSE: ESTOPPEL**

24 62. Ricoh's claims for relief are barred by the defense of estoppel.

FIFTH AFFIRMATIVE DEFENSE: IMPLIED LICENSE

63. Plaintiff is barred from obtaining any relief sought in the Amended Complaint by reason of the existence of an implied license to practice the claims of the '432 Patent between Plaintiff and Synopsys. Plaintiff's action against Matrox is barred by the doctrine of patent exhaustion.

SIXTH AFFIRMATIVE DEFENSE: PROSECUTION HISTORY ESTOPPEL

64. By reason of the arguments presented during the prosecution of the applications for the '432 Patent in the United States Patent and Trademark Office, Ricoh is estopped from construing the claimed inventions of such patent (or any equivalent thereof) as applying to any product made, used, sold, or offered for sale by Matrox.

SEVENTH AFFIRMATIVE DEFENSE: AUTHORIZATION AND CONSENT

65. Ricoh's claims are barred in whole or in part by operation of 28 U.S.C.S. § 1498.

EIGHTH AFFIRMATIVE DEFENSE: TIME LIMITATION ON DAMAGES

66. Ricoh's claims for damages and injunction are barred in whole or in part by operation of the applicable statutes, including 35 U.S.C. § 286.

RESERVATION OF AFFIRMATIVE DEFENSES

67. With discovery still ongoing, Matrox has yet to complete its investigation. Matrox reserves the right to assert any other defenses that discovery may reveal, including unclean hands or inequitable conduct.

COUNTERCLAIMS

Counterplaintiff Matrox Electronic Systems Ltd. ("Matrox"), for its counterclaims against Counterdefendant Ricoh Company, Ltd. ("Rico"), alleges as follows:

PARTIES

68. Matrox is a corporation organized under the laws of Quebec, Canada, and maintains its principal place of business at 1055 Boul St -Regis, Dorval, Quebec H9P 2T4 Canada.

69. Upon information and belief, Ricoh is a corporation organized under the laws of Japan, having its principal place of business at 3-6 1-chome, Nakamagome, Tokyo, Japan.

JURISDICTION AND VENUE

70. Counts 1 through 2 of the counterclaims are based upon the Patent Laws of the United States, Title 35 of the United States Code, § 1 et seq. The Court has jurisdiction over the counterclaims pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202.

71. Ricoh has submitted to the personal jurisdiction of this Court.

72. Venue is proper in this district pursuant to 28 U.S.C. § 1391.

73. There is an actual justiciable case or controversy between Matrox and Ricoh, in this district, arising under the Patent Laws, 35 U.S.C. § 1 et seq. This case or controversy arises by virtue of Ricoh's filing of this suit which purports to allege that Matrox infringes U.S. Patent No. 4,922,432 ("the '432 Patent") and Matrox's Answer thereto, which asserts the invalidity and noninfringement of the '432 Patent.

COUNT 1: DECLARATORY JUDGMENT OF INVALIDITY

74. Matrox incorporates by reference Paragraphs 1-73 into this count as though fully set forth herein.

75. The '432 Patent, entitled "Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional Specifications" issued on May 1, 1990. Ricoh purports to be the owner of the '432 Patent.

76. Ricoh has sued Matrox in the present action, alleging infringement of the '432 Patent.

77. Based on Paragraph 58 above, which is specifically incorporated by reference into this Paragraph, the '432 Patent is invalid.

78. Matrox requests declaratory judgment that the '432 Patent is invalid.

COUNT 2: DECLARATORY JUDGMENT OF NONINFRINGEMENT

79. Matrox incorporates by reference Paragraphs 1-77 into this count as though fully set forth herein.

80. Based on Paragraphs 59 and 60 above, which are specifically incorporated by reference into this Paragraph, the '432 Patent is not infringed by Matrox.

81. Matrox requests declaratory judgment that Matrox has not infringed the '432 Patent.

RESERVATION OF COUNTERCLAIMS

82. Matrox reserves the right to assert any other counterclaims that discovery may reveal, including, but not limited to, claims arising out of false or misleading statements to the public and/or customers.

PRAYER FOR RELIEF

WHEREFORE, Matrox respectfully prays for the following relief:

- A. that this Court deny and all relief requested by Plaintiff in its Amended Complaint and any relief whatsoever, and that the Amended Complaint be dismissed with prejudice;
- B. that this Court declare the '432 Patent invalid;
- C. that this Court declare the '432 Patent unenforceable;
- D. that this Court declare that Matrox has not infringed any valid claim of the '432 Patent;
- E. that this Court declare the case to be exceptional pursuant to 35 U.S.C. § 285 and that costs of this action and attorneys' fees be awarded to Matrox;
- F. that this Court grant such other and further relief to Matrox as this Court may deem just and equitable and as the Court deems appropriate.

DEMAND FOR JURY TRIAL

Defendant Matrox hereby demands trial by jury in this action.

Dated: November __, 2005

Respectfully submitted,

HOWREY LLP

By: _____

Denise M. De Mory
Attorneys for Defendants
AEROFLEX INCORPORATED, AMI
SEMICONDUCTOR, INC., MATROX
ELECTRONIC SYSTEMS, LTD.,
MATROX GRAPHICS INC., MATROX
INTERNATIONAL CORP., MATROX
TECH, INC., and AEROFLEX
COLORADO SPRINGS, INC.

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MATROX GRAPHICS INC., MATROX
8 INTERNATIONAL CORP., MATROX
TECH, INC., and AEROFLEX COLORADO
9 SPRINGS, INC.

10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 RICOH COMPANY, LTD.,

14 Plaintiff,

15 vs.

16 AEROFLEX INCORPORATED, AMI
SEMICONDUCTOR, INC., MATROX
17 ELECTRONIC SYSTEMS LTD., MATROX
GRAPHICS INC., MATROX
18 INTERNATIONAL CORP., MATROX TECH,
INC., AND AEROFLEX COLORADO
19 SPRINGS, INC.

20 Defendants.

21 SYNOPSYS, INC.,

22 Plaintiff,

23 vs.

24 RICOH COMPANY, LTD.,

25 Defendant.

Case No. C03-04669 MJJ (EMC)

Case No. C03-02289 MJJ (EMC)

**AMENDED ANSWER AND
COUNTERCLAIMS OF DEFENDANT
MATROX GRAPHICS INC. TO AMENDED
COMPLAINT FOR PATENT
INFRINGEMENT**

1 Defendant Matrox Graphics Inc. ("Matrox Graphics") for its Answer to the Amended
2 Complaint and for its Counterclaims, hereby responds to the numbered paragraphs of the Amended
3 Complaint filed by Ricoh Company, Ltd. ("Rico h"), and in doing so denies the allegations of t he
4 Amended Complaint except as specifically stated:

5 **PARTIES**

6 1. Upon information and belief, Matrox Graphics admits that plaintiff Ricoh is a
7 corporation organized under the laws of Japan and maintains its principal place of business at 3 -6 1-
8 chome, Nakamagome, Tokyo, Japan.

9 2. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
10 allegations of Paragraph 2, and on that basis, denies those allegations.

11 3. Matrox Graphics lacks information sufficient to form a belief as to the truth of t he
12 allegations of Paragraph 3, and on that basis, denies those allegations.

13 4. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
14 allegations of Paragraph 4, and on that basis, denies those allegations.

15 5. Matrox Graphics admit s that Matrox Graphics is a corporation organized under the
16 laws of Quebec, Canada, and maintains its principal place of business at 1055 Boul St -Regis, Dorval,
17 Quebec H9P 2T4 Canada. Except as expressly admitted, Matrox Graphics denies the allegations of
18 Paragraph 5 of the Amended Complaint.

19 6. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
20 allegations of Paragraph 6, and on that basis, denies those allegations.

21 7. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
22 allegations of Paragraph 7, and on that basis, denies those allegations.

23 8. Matrox Graphics lacks information sufficient to form a belief as to the truth of the
24 allegations of Paragraph 8, and on that basis, denies those allegations.

JURISDICTION

9. Matrox Graphics admits that plaintiff's claim purports to arise under the patent laws of the United States, Title 35, and more particularly under 35 U.S.C. §§ 271 et. seq. Except as expressly admitted, Matrox Graphics denies the allegations of Paragraph 9 of the Amended Complaint.

10. Matrox Graphics admits that the Court has subject matter jurisdiction over the allegations of patent infringement in the Amended Complaint pursuant to 28 U.S.C. §§ 1338(a) and 1331. Except as expressly admitted, Matrox Graphics denies the allegations of Paragraph 10 of the Amended Complaint.

11. Matrox Graphics denies that the Court has personal jurisdiction over Matrox Graphics. Except as expressly denied, Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 11, and on that basis, denies those allegations.

VENUE

12. Matrox Graphics admits that venue is proper in this judicial district pursuant to 28 U.S.C. § 1391. Except as expressly admitted, Matrox Graphics denies the allegations of Paragraph 12 of the Amended Complaint.

FACTUAL BACKGROUND

13. Matrox Graphics admits that United States Patent No. 4,922,432 ("the '432 Patent") entitled "Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional Specifications," issued on May 1, 1990. Matrox Graphics admits that the '432 Patent names Hideaki Kobayashi and Masahiro Shindo as inventors. Matrox Graphics further admits that a copy of the '432 Patent is attached to the Amended Complaint as Exhibit 1. Except as expressly admitted, Matrox Graphics denies the allegations of Paragraph 13 of the Amended Complaint.

14. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 14, and on that basis, denies those allegations.

15. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 15, and on that basis, denies those allegations.

PATENT INFRINGEMENT

COUNT 1

16. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

17. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 17, and on that basis, denies those allegations.

18. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 18, and on that basis, denies those allegations.

19. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 19, and on that basis, denies those allegations.

20. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 20, and on that basis, denies those allegations.

21. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 21, and on that basis, denies those allegations.

COUNT 2

22. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

23. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 23, and on that basis, denies those allegations.

24. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 24, and on that basis, denies those allegations.

25. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 25, and on that basis, denies those allegations.

26. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 26, and on that basis, denies those allegations.

27. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 27, and on that basis, denies those allegations.

COUNT 3

28. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

29. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 29, and on that basis, denies those allegations.

30. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 30, and on that basis, denies those allegations.

31. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 31, and on that basis, denies those allegations.

32. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 32, and on that basis, denies those allegations.

33. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 33, and on that basis, denies those allegations.

COUNT 4

34. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

35. Matrox Graphics denies each and every allegation in Paragraph 35 of the Amended Complaint.

36. Matrox Graphics denies each and every allegation in Paragraph 36 of the Amended Complaint.

37. Matrox Graphics denies each and every allegation in Paragraph 37 of the Amended Complaint.

38. Matrox Graphics denies each and every allegation in Paragraph 38 of the Amended Complaint.

39. Matrox Graphics denies each and every allegation in Paragraph 39 of the Amended Complaint.

COUNT 5

40. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

41. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 41, and on that basis, denies those allegations.

42. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 42, and on that basis, denies those allegations.

43. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 43, and on that basis, denies those allegations.

44. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 44, and on that basis, denies those allegations.

45. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 45, and on that basis, denies those allegations.

COUNT 6

46. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

47. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 47, and on that basis, denies those allegations.

48. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 48, and on that basis, denies those allegations.

49. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 49, and on that basis, denies those allegations.

50. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 50, and on that basis, denies those allegations.

51. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 51, and on that basis, denies those allegations.

COUNT 7

52. Matrox Graphics repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

53. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 53, and on that basis, denies those allegations.

54. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 54, and on that basis, denies those allegations.

55. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 55, and on that basis, denies those allegations.

56. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 56, and on that basis, denies those allegations.

57. Matrox Graphics lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 57, and on that basis, denies those allegations.

DEFENSES

In further response to the Amended Complaint, Defendant Matrox Graphics asserts the following:

FIRST AFFIRMATIVE DEFENSE: INVALIDITY

58. The '432 Patent is invalid and/or unenforceable because it fails to meet one or more of the conditions of patentability set forth in 35 U.S.C. § 101 et seq.

SECOND AFFIRMATIVE DEFENSE: NONINFRINGEMENT

59. Matrox Graphics has not and does not willfully or otherwise infringe, contribute to infringement of, or actively induce others to infringe, either literally or by application of the doctrine of equivalents, any claim of the '432 Patent.

60. Matrox Graphics has not offered to sell, sold, and/or imported within the United States any product made by a process that infringes any valid claim of the '432 Patent, either directly, indirectly, contributorily, or otherwise, and has not induced others to infringe any valid claim of the '432 Patent.

THIRD AFFIRMATIVE DEFENSE: LACHES

61. Ricoh's claims for relief are barred by the defense of laches.

FOURTH AFFIRMATIVE DEFENSE: ESTOPPEL

62. Ricoh's claims for relief are barred by the defense of estoppel.

FIFTH AFFIRMATIVE DEFENSE: IMPLIED LICENSE

63. Plaintiff is barred from obtaining any relief sought in the Amended Complaint by reason of the existence of an implied license to practice the claims of the '432 Patent between Plaintiff and Synopsys. Plaintiff's action against Matrox Graphics is barred by the doctrine of patent exhaustion.

SIXTH AFFIRMATIVE DEFENSE: PROSECUTION HISTORY ESTOPPEL

64. By reason of the arguments presented during the prosecution of the applications for the '432 Patent in the United States Patent and Trademark Office, Ricoh is estopped from construing the claimed inventions of such patent (or any equivalent thereof) as applying to any product made, used, sold, or offered for sale by Matrox Graphics.

SEVENTH AFFIRMATIVE DEFENSE: AUTHORIZATION AND CONSENT

65. Ricoh's claims are barred in whole or in part by operation of 28 U.S.C. § 1498.

EIGHTH AFFIRMATIVE DEFENSE: TIME LIMITATION ON DAMAGES

66. Ricoh's claims for damages and injunction are barred in whole or in part by operation of the applicable statutes, including 35 U.S.C. § 286.

RESERVATION OF AFFIRMATIVE DEFENSES

67. With discovery still ongoing, Matrox Graphics has yet to complete its investigation. Matrox Graphics reserves the right to assert any other defenses that discovery may reveal, including unclean hands or inequitable conduct.

COUNTERCLAIMS

Counterplaintiff Matrox Graphics Inc. ("Matrox Graphics"), for its counterclaims against Counterdefendant Ricoh Company, Ltd. ("Ricoh"), alleges as follows:

PARTIES

68. Matrox Graphics is a corporation organized under the laws of Quebec, Canada, and maintains its principal place of business at 1055 Boul St -Regis, Dorval, Quebec H9P 2T4 Canada.

69. Upon information and belief, Ricoh is a corporation organized under the laws of Japan, having its principal place of business at 3-6 1-chome, Nakamagome, Tokyo, Japan.

JURISDICTION AND VENUE

70. Counts 1 through 2 of the counterclaims are based upon the Patent Laws of the United States, Title 35 of the United States Code, § 1 et seq. The Court has jurisdiction over the counterclaims pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202.

71. Ricoh has submitted to the personal jurisdiction of this Court.

72. Venue is proper in this district pursuant to 28 U.S.C. § 1391.

73. There is an actual justiciable case or controversy between Matrox Graphics and Ricoh, in this district, arising under the Patent Laws, 35 U.S.C. § 1 et seq. This case or controversy arises by virtue of Ricoh's filing of this suit which purports to allege that Matrox Graphics infringes U.S. Patent No. 4,922,432 ("the '432 Patent") and Matrox Graphics's Answer thereto, which asserts the invalidity and noninfringement of the '432 Patent.

COUNT 1: DECLARATORY JUDGMENT OF INVALIDITY

74. Matrox Graphics incorporates by reference Paragraphs 1-73 into this count as though fully set forth herein.

75. The '432 Patent, entitled "Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional Specifications" issued on May 1, 1990. Ricoh purports to be the owner of the '432 Patent.

76. Ricoh has sued Matrox Graphics in the present action, alleging infringement of the '432 Patent.

77. Based on Paragraph 58 above, which is specifically incorporated by reference into this Paragraph, the '432 Patent is invalid.

78. Matrox Graphics requests declaratory judgment that the '432 Patent is invalid.

COUNT 2: DECLARATORY JUDGMENT OF NONINFRINGEMENT

79. Matrox Graphics incorporates by reference Paragraphs 1-77 into this count as though fully set forth herein.

80. Based on Paragraphs 59 and 60 above, which are specifically incorporated by reference into this Paragraph, the '432 Patent is not infringed by Matrox Graphics.

81. Matrox Graphics requests declaratory judgment that Matrox Graphics has not infringed the '432 Patent.

RESERVATION OF COUNTERCLAIMS

82. Matrox Graphics reserves the right to assert any other counterclaims that discovery may reveal, including, but not limited to, claims arising out of false or misleading statements to the public and/or customers.

PRAYER FOR RELIEF

WHEREFORE, Matrox Graphics respectfully prays for the following relief:

A. that this Court deny and all relief requested by Plaintiff in its Amended Complaint and any relief whatsoever, and that the Amended Complaint be dismissed with prejudice;

B. that this Court declare the '432 Patent invalid;

C. that this Court declare the '432 Patent unenforceable;

D. that this Court declare that Matrox Graphics has not infringed any valid claim of the '432 Patent;

E. that this Court declare the case to be exceptional pursuant to 35 U.S.C. § 285 and that costs of this action and attorneys' fees be awarded to Matrox Graphics;

F. that this Court grant such other and further relief to Matrox Graphics as this Court may deem just and equitable and as the Court deems appropriate.

DEMAND FOR JURY TRIAL

Defendant Matrox Graphics hereby demands trial by jury in this action.

Dated: November __, 2005

Respectfully submitted,

HOWREY LLP

By: _____

Denise M. De Mory
Attorneys for Defendants
AEROFLEX INCORPORATED, AMI
SEMICONDUCTOR, INC., MATROX
ELECTRONIC SYSTEMS, LTD.,
MATROX GRAPHICS INC., MATROX
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TECH, INC., and AEROFLEX
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INTERNATIONAL CORP., MATROX
9 TECH, INC., and AEROFLEX COLORADO
SPRINGS, INC.

10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 RICOH COMPANY, LTD.,

14 Plaintiff,

15 vs.

16 AEROFLEX INCORPORATED, AMI
17 SEMICONDUCTOR, INC., MATROX
ELECTRONIC SYSTEMS LTD., MATROX
18 GRAPHICS INC., MATROX
INTERNATIONAL CORP., MATROX TECH,
19 INC., AND AEROFLEX COLORADO
SPRINGS, INC.

20 Defendants.

21 SYNOPSYS, INC.,

22 Plaintiff,

23 vs.

24 RICOH COMPANY, LTD.,

25 Defendant.

Case No. C03-04669 MJJ (EMC)

Case No. C03-02289 MJJ (EMC)

**AMENDED ANSWER AND
COUNTERCLAIMS OF DEFENDANT
MATROX INTERNATIONAL CORP. TO
AMENDED COMPLAINT FOR PATENT
INFRINGEMENT**

1 Defendant Matrox International Corp. ("Matrox Int'l") for its Answer to the Amended
2 Complaint and for its Counterclaims, hereby responds to the numbered paragraphs of the Amended
3 Complaint filed by Ricoh Company, Ltd. ("Rico"), and in doing so denies the allegations of the
4 Amended Complaint except as specifically stated:

5 **PARTIES**

6 1. Upon information and belief, Matrox Int'l admits that plaintiff Ricoh is a corporation
7 organized under the laws of Japan and maintains its principal place of business at 3-6 1-chome,
8 Nakamagome, Tokyo, Japan.

9 2. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
10 allegations of Paragraph 2, and on that basis, denies those allegations.

11 3. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
12 allegations of Paragraph 3, and on that basis, denies those allegations.

13 4. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
14 allegations of Paragraph 4, and on that basis, denies those allegations.

15 5. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
16 allegations of Paragraph 5, and on that basis, denies those allegations.

17 6. Matrox Int'l admits that Matrox Int'l is a corporation organized under the laws of New
18 York, and maintains its principal place of business at 625 State Rt 3, Unit B, Plattsburgh, NY 12901.
19 Matrox Int'l admits that Matrox Int'l has consented to the jurisdiction of this Court for this action.
20 Except as expressly admitted, Matrox Int'l denies the allegations of Paragraph 6 of the Amended
21 Complaint.

22 7. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
23 allegations of Paragraph 7, and on that basis, denies those allegations.

24 8. Matrox Int'l lacks information sufficient to form a belief as to the truth of the
25 allegations of Paragraph 8, and on that basis, denies those allegations.

JURISDICTION

9. Matrox Int'l admits that plaintiff's claim purports to arise under the patent laws of the United States, Title 35, and more particularly under 35 U.S.C. §§ 271 et. seq. Except as expressly admitted, Matrox Int'l denies the allegations of Paragraph 9 of the Amended Complaint.

10. Matrox Int'l admits that the Court has subject matter jurisdiction over the allegations of patent infringement in the Amended Complaint pursuant to 28 U.S.C. §§ 1338(a) and 1331. Except as expressly admitted, Matrox Int'l denies the allegations of Paragraph 10 of the Amended Complaint.

11. Matrox Int'l admits that the Court has personal jurisdiction over Matrox Int'l. Except as expressly admitted, Matrox Int'l denies the allegations of Paragraph 11 of the Amended Complaint.

VENUE

12. Matrox Int'l admits that venue is proper in this judicial district pursuant to 28 U.S.C. § 1391. Except as expressly admitted, Matrox Int'l denies the allegations of Paragraph 12 of the Amended Complaint.

FACTUAL BACKGROUND

13. Matrox Int'l admits that United States Patent No. 4,922,432 ("the '432 Patent") entitled "Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional Specifications," issued on May 1, 1990. Matrox Int'l admits that the '432 Patent names Hideaki Kobayashi and Masahiro Shindo as inventors. Matrox Int'l further admits that a copy of the '432 Patent is attached to the Amended Complaint as Exhibit 1. Except as expressly admitted, Matrox Int'l denies the allegations of Paragraph 13 of the Amended Complaint.

14. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 14, and on that basis, denies those allegations.

15. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 15, and on that basis, denies those allegations.

PATENT INFRINGEMENT

COUNT 1

16. Matrox Int'l repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

17. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 17, and on that basis, denies those allegations.

18. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 18, and on that basis, denies those allegations.

19. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 19, and on that basis, denies those allegations.

20. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 20, and on that basis, denies those allegations.

21. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 21, and on that basis, denies those allegations.

COUNT 2

22. Matrox Int'l repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

23. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 23, and on that basis, denies those allegations.

24. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 24, and on that basis, denies those allegations.

25. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 25, and on that basis, denies those allegations.

26. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 26, and on that basis, denies those allegations.

27. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 27, and on that basis, denies those allegations.

COUNT 3

28. Matrox Int'l repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

29. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 29, and on that basis, denies those allegations.

30. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 30, and on that basis, denies those allegations.

31. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 31, and on that basis, denies those allegations.

32. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 32, and on that basis, denies those allegations.

33. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 33, and on that basis, denies those allegations.

COUNT 4

34. Matrox Int'l repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

35. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 35, and on that basis, denies those allegations.

36. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 36, and on that basis, denies those allegations.

37. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 37, and on that basis, denies those allegations.

38. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 38, and on that basis, denies those allegations.

39. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 39, and on that basis, denies those allegations.

COUNT 5

40. Matrox Int'l repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

41. Matrox Int'l denies each and every allegation in Paragraph 41 of the Amended Complaint.

42. Matrox Int'l denies each and every allegation in Paragraph 42 of the Amended Complaint.

43. Matrox Int'l denies each and every allegation in Paragraph 43 of the Amended Complaint.

44. Matrox Int'l denies each and every allegation in Paragraph 44 of the Amended Complaint.

45. Matrox Int'l denies each and every allegation in Paragraph 45 of the Amended Complaint.

COUNT 6

46. Matrox Int'l repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

47. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 47, and on that basis, denies those allegations.

48. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 48, and on that basis, denies those allegations.

49. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 49, and on that basis, denies those allegations.

50. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 50, and on that basis, denies those allegations.

51. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 51, and on that basis, denies those allegations.

COUNT 7

52. Matrox Int'l repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

53. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 53, and on that basis, denies those allegations.

54. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 54, and on that basis, denies those allegations.

55. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 55, and on that basis, denies those allegations.

56. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 56, and on that basis, denies those allegations.

57. Matrox Int'l lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 57, and on that basis, denies those allegations.

DEFENSES

In further response to the Amended Complaint, Defendant Matrox Int'l asserts the following:

FIRST AFFIRMATIVE DEFENSE: INVALIDITY

58. The '432 Patent is invalid and/or unenforceable because it fails to meet one or more of the conditions of patentability set forth in 35 U.S.C. § 101 et seq.

SECOND AFFIRMATIVE DEFENSE: NONINFRINGEMENT

59. Matrox Int'l has not and does not willfully or otherwise infringe, contribute to infringement of, or actively induce others to infringe, either literally or by application of the doctrine of equivalents, any claim of the '432 Patent.

60. Matrox Int'l has not offered to sell, sold, and/or imported within the United States any product made by a process that infringes any valid claim of the '432 Patent, either directly, indirectly, contributorily, or otherwise, and has not induced others to infringe any valid claim of the '432 Patent.

THIRD AFFIRMATIVE DEFENSE: LACHES

61. Ricoh's claims for relief are barred by the defense of laches.

FOURTH AFFIRMATIVE DEFENSE: ESTOPPEL

62. Ricoh's claims for relief are barred by the defense of estoppel.

FIFTH AFFIRMATIVE DEFENSE: IMPLIED LICENSE

63. Plaintiff is barred from obtaining any relief sought in the Amended Complaint by reason of the existence of an implied license to practice the claims of the '432 Patent between Plaintiff and Synopsys. Plaintiff's action against Matrox Int'l is barred by the doctrine of patent exhaustion.

SIXTH AFFIRMATIVE DEFENSE: PROSECUTION HISTORY ESTOPPEL

64. By reason of the arguments presented during the prosecution of the applications for the '432 Patent in the United States Patent and Trademark Office, Ricoh is estopped from construing the claimed inventions of such patent (or any equivalent thereof) as applying to any product made, used, sold, or offered for sale by Matrox Int'l.

SEVENTH AFFIRMATIVE DEFENSE: AUTHORIZATION AND CONSENT

65. Ricoh's claims are barred in whole or in part by operation of 28 U.S.C.S. § 1498.

EIGHTH AFFIRMATIVE DEFENSE: TIME LIMITATION ON DAMAGES

66. Ricoh's claims for damages and injunction are barred in whole or in part by operation of the applicable statutes, including 35 U.S.C. § 286.

RESERVATION OF AFFIRMATIVE DEFENSES

67. With discovery still ongoing, Matrox Int'l has yet to complete its investigation. Matrox Int'l reserves the right to assert any other defenses that discovery may reveal, including unclean hands or inequitable conduct.

COUNTERCLAIMS

Counterplaintiff Matrox International Corp. ("Matrox Int'l"), for its counterclaims against Counterdefendant Ricoh Company, Ltd. ("Ricoh"), alleges as follows:

PARTIES

68. Matrox Int'l is a corporation organized under the laws of New York, and maintains its principal place of business at 625 State Rt 3, Unit B, Plattsburgh, NY 12901.

69. Upon information and belief, Ricoh is a corporation organized under the laws of Japan, having its principal place of business at 3-6 1-chome, Nakamagome, Tokyo, Japan.

JURISDICTION AND VENUE

70. Counts 1 through 2 of the counterclaims are based upon the Patent Laws of the United States, Title 35 of the United States Code, § 1 et seq. The Court has jurisdiction over the counterclaims pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202.

71. Ricoh has submitted to the personal jurisdiction of this Court.

72. Venue is proper in this district pursuant to 28 U.S.C. § 1391.

73. There is an actual justiciable case or controversy between Matrox Int'l and Ricoh, in this district, arising under the Patent Laws, 35 U.S.C. § 1 et seq. This case or controversy arises by virtue of Ricoh's filing of this suit which purports to allege that Matrox Int'l infringes U.S. Patent No. 4,922,432 ("the '432 Patent") and Matrox Int'l's Answer thereto, which asserts the invalidity and noninfringement of the '432 Patent.

COUNT 1: DECLARATORY JUDGMENT OF INVALIDITY

74. Matrox Int'l incorporates by reference Paragraphs 1-73 into this count as though fully set forth herein.

75. The '432 Patent, entitled "Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional Specifications" issued on May 1, 1990. Ricoh purports to be the owner of the '432 Patent.

76. Ricoh has sued Matrox Int'l in the present action, alleging infringement of the '432 Patent.

77. Based on Paragraph 58 above, which is specifically incorporated by reference into this Paragraph, the '432 Patent is invalid.

78. Matrox Int'l requests declaratory judgment that the '432 Patent is invalid.

COUNT 2: DECLARATORY JUDGMENT OF NONINFRINGEMENT

79. Matrox Int'l incorporates by reference Paragraphs 1-77 into this count as though fully set forth herein.

1 80. Based on Paragraphs 59 and 60 above, which are specifically incorporated by reference
2 into this Paragraph, the '432 Patent is not infringed by Matrox Int'l.

3 81. Matrox Int'l requests declaratory judgment that Matrox Int'l has not infringed the '432
4 Patent.

5 **RESERVATION OF COUNTERCLAIMS**

6 82. Matrox Int'l reserves the right to assert any other counterclaims that discovery may
7 reveal, including, but not limited to, claims arising out of false or misleading statements to the public
8 and/or customers.

9 **PRAYER FOR RELIEF**

10 WHEREFORE, Matrox Int'l respectfully prays for the following relief:

11 A. that this Court deny and all relief requested by Plaintiff in its Amended Complaint and
12 any relief whatsoever, and that the Amended Complaint be dismissed with prejudice;

13 B. that this Court declare the '432 Patent invalid;

14 C. that this Court declare the '432 Patent unenforceable;

15 D. that this Court declare that Matrox Int'l has not infringed any valid claim of the '432
16 Patent;

17 E. that this Court declare the case to be exceptional pursuant to 35 U.S.C. § 285 and that
18 costs of this action and attorneys' fees be awarded to Matrox Int'l;

19 F. that this Court grant such other and further relief to Matrox Int'l as this Court may deem
20 just and equitable and as the Court deems appropriate.

DEMAND FOR JURY TRIAL

Defendant Matrox Int'l hereby demands trial by jury in this action.

Dated: November __, 2005

Respectfully submitted,

HOWREY LLP

By: _____

Denise M. De Mory

Attorneys for Defendants

AEROFLEX INCORPORATED, AMI

SEMICONDUCTOR, INC., MATROX

ELECTRONIC SYSTEMS, LTD.,

MATROX GRAPHICS INC., MATROX

INTERNATIONAL CORP., MATROX

TECH, INC., and AEROFLEX

COLORADO SPRINGS, INC.

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MATROX GRAPHICS INC., MATROX
8 INTERNATIONAL CORP., MATROX
TECH, INC., and AEROFLEX COLORADO
9 SPRINGS, INC.

10 UNITED STATES DISTRICT COURT
11 NORTHERN DISTRICT OF CALIFORNIA
12 SAN FRANCISCO DIVISION

13 RICOH COMPANY, LTD.,

14 Plaintiff,

15 vs.

16 AEROFLEX INCORPORATED, AMI
SEMICONDUCTOR, INC., MATROX
17 ELECTRONIC SYSTEMS LTD., MATROX
GRAPHICS INC., MATROX
18 INTERNATIONAL CORP., MATROX TECH,
INC., AND AEROFLEX COLORADO
19 SPRINGS, INC.

20 Defendants.

21 SYNOPSYS, INC.,

22 Plaintiff,

23 vs.

24 RICOH COMPANY, LTD.,

25 Defendant.

Case No. C03-04669 MJJ (EMC)

Case No. C03-02289 MJJ (EMC)

**AMENDED ANSWER AND
COUNTERCLAIMS OF DEFENDANT
MATROX TECH, INC. TO AMENDED
COMPLAINT FOR PATENT
INFRINGEMENT**

1 Defendant Matrox Tech, Inc. ("Matrox Tech") for its Amended Answer to the Amended
2 Complaint and for its Counterclaims, hereby responds to the numbered paragraphs of the Amended
3 Complaint filed by Ricoh Company, Ltd. ("Rico"), and in doing so denies the allegations of the
4 Amended Complaint except as specifically stated:

5 **PARTIES**

6 1. Upon information and belief, Matrox Tech admits that plaintiff Ricoh is a corporation
7 organized under the laws of Japan and maintains its principal place of business at 3-6 1-chome,
8 Nakamagome, Tokyo, Japan.

9 2. Matrox Tech lacks information sufficient to form a belief as to the truth of the
10 allegations of Paragraph 2, and on that basis, denies those allegations.

11 3. Matrox Tech lacks information sufficient to form a belief as to the truth of the
12 allegations of Paragraph 3, and on that basis, denies those allegations.

13 4. Matrox Tech lacks information sufficient to form a belief as to the truth of the
14 allegations of Paragraph 4, and on that basis, denies those allegations.

15 5. Matrox Tech lacks information sufficient to form a belief as to the truth of the
16 allegations of Paragraph 5, and on that basis, denies those allegations.

17 6. Matrox Tech lacks information sufficient to form a belief as to the truth of the
18 allegations of Paragraph 6, and on that basis, denies those allegations.

19 7. Matrox Tech admits that Matrox Tech is a corporation organized under the laws of
20 Delaware, and maintains its principal place of business at 1075 Broken Sound Parkway, NW, Boca
21 Raton, FL 333487-3524. Matrox Tech admits that Matrox Tech has consented to the jurisdiction of this
22 Court for this action. Except as expressly admitted, Matrox Tech denies the allegations of Paragraph 7
23 of the Amended Complaint.

24 8. Matrox Tech lacks information sufficient to form a belief as to the truth of the
25 allegations of Paragraph 8, and on that basis, denies those allegations.

JURISDICTION

9. Matrox Tech admits that plaintiffs claim purports to arise under the patent laws of the United States, Title 35, and more particularly under 35 U.S.C. §§ 271 et. seq. Except as expressly admitted, Matrox Tech denies the allegations of Paragraph 9 of the Amended Complaint.

10. Matrox Tech admits that the Court has subject matter jurisdiction over the allegations of patent infringement in the Amended Complaint pursuant to 28 U.S.C. §§ 1338(a) and 1331. Except as expressly admitted, Matrox Tech denies the allegations of Paragraph 10 of the Amended Complaint.

11. Matrox Tech admits that the Court has personal jurisdiction over Matrox Tech. Except as expressly admitted, Matrox Tech denies the allegations of Paragraph 11 of the Amended Complaint.

VENUE

12. Matrox Tech admits that venue is proper in this judicial district pursuant to 28 U.S.C. § 1391. Except as expressly admitted, Matrox Tech denies the allegations of Paragraph 12 of the Amended Complaint.

FACTUAL BACKGROUND

13. Matrox Tech admits that United States Patent No. 4,922,432 (“the ‘432 Patent”) entitled “Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional Specifications,” issued on May 1, 1990. Matrox Tech admits that the ‘432 Patent names Hideaki Kobayashi and Masahiro Shindo as inventors. Matrox Tech further admits that a copy of the ‘432 Patent is attached to the Amended Complaint as Exhibit 1. Except as expressly admitted, Matrox Tech denies the allegations of Paragraph 13 of the Amended Complaint.

14. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 14, and on that basis, denies those allegations.

15. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 15, and on that basis, denies those allegations.

PATENT INFRINGEMENT

COUNT 1

16. Matrox Tech repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

17. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 17, and on that basis, denies those allegations.

18. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 18, and on that basis, denies those allegations.

19. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 19, and on that basis, denies those allegations.

20. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 20, and on that basis, denies those allegations.

21. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 21, and on that basis, denies those allegations.

COUNT 2

22. Matrox Tech repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

23. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 23, and on that basis, denies those allegations.

24. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 24, and on that basis, denies those allegations.

25. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 25, and on that basis, denies those allegations.

26. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 26, and on that basis, denies those allegations.

27. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 27, and on that basis, denies those allegations.

COUNT 3

28. Matrox Tech repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

29. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 29, and on that basis, denies those allegations.

30. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 30, and on that basis, denies those allegations.

31. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 31, and on that basis, denies those allegations.

32. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 32, and on that basis, denies those allegations.

33. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 33, and on that basis, denies those allegations.

COUNT 4

34. Matrox Tech repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

35. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 35, and on that basis, denies those allegations.

36. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 36, and on that basis, denies those allegations.

37. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 37, and on that basis, denies those allegations.

38. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 38, and on that basis, denies those allegations.

39. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 39, and on that basis, denies those allegations.

COUNT 5

40. Matrox Tech repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

41. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 41, and on that basis, denies those allegations.

42. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 42, and on that basis, denies those allegations.

43. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 43, and on that basis, denies those allegations.

44. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 44, and on that basis, denies those allegations.

45. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 45, and on that basis, denies those allegations.

COUNT 6

46. Matrox Tech repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

47. Matrox Tech denies each and every allegation in Paragraph 47 of the Amended Complaint.

48. Matrox Tech denies each and every allegation in Paragraph 48 of the Amended Complaint.

49. Matrox Tech denies each and every allegation in Paragraph 49 of the Amended Complaint.

50. Matrox Tech denies each and every allegation in Paragraph 50 of the Amended Complaint.

51. Matrox Tech denies each and every allegation in Paragraph 51 of the Amended Complaint.

COUNT 7

52. Matrox Tech repeats its responses to the allegations in Paragraphs 1 through 15 of the Amended Complaint.

53. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 53, and on that basis, denies those allegations.

54. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 54, and on that basis, denies those allegations.

55. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 55, and on that basis, denies those allegations.

56. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 56, and on that basis, denies those allegations.

57. Matrox Tech lacks information sufficient to form a belief as to the truth of the allegations of Paragraph 57, and on that basis, denies those allegations.

DEFENSES

In further response to the Amended Complaint, Defendant Matrox Tech asserts the following:

FIRST AFFIRMATIVE DEFENSE: INVALIDITY

58. The '432 Patent is invalid and/or unenforceable because it fails to meet one or more of the conditions of patentability set forth in 35 U.S.C. § 101 et seq.

SECOND AFFIRMATIVE DEFENSE: NONINFRINGEMENT

59. Matrox Tech has not and does not willfully or otherwise infringe, contribute to infringement of, or actively induce others to infringe, either literally or by application of the doctrine of equivalents, any claim of the '432 Patent.

60. Matrox Tech has not offered to sell, sold, and/or imported within the United States any product made by a process that infringes any valid claim of the '432 Patent, either directly, indirectly, contributorily, or otherwise, and has not induced others to infringe any valid claim of the '432 Patent.

THIRD AFFIRMATIVE DEFENSE: LACHES

61. Ricoh's claims for relief are barred by the defense of laches.

FOURTH AFFIRMATIVE DEFENSE: ESTOPPEL

62. Ricoh's claims for relief are barred by the defense of estoppel.

FIFTH AFFIRMATIVE DEFENSE: IMPLIED LICENSE

63. Plaintiff is barred from obtaining any relief sought in the Amended Complaint by reason of the existence of an implied license to practice the claims of the '432 Patent between Plaintiff and Synopsys. Plaintiff's action against Matrox Tech is barred by the doctrine of patent exhaustion.

SIXTH AFFIRMATIVE DEFENSE: PROSECUTION HISTORY ESTOPPEL

64. By reason of the arguments presented during the prosecution of the applications for the '432 Patent in the United States Patent and Trademark Office, Ricoh is estopped from construing the claimed inventions of such patent (or any equivalent thereof) as applying to any product made, used, sold, or offered for sale by Matrox Tech.

SEVENTH AFFIRMATIVE DEFENSE: AUTHORIZATION AND CONSENT

65. Ricoh's claims are barred in whole or in part by operation of 28 U.S.C.S. § 1498.

EIGHTH AFFIRMATIVE DEFENSE: TIME LIMITATION ON DAMAGES

66. Ricoh's claims for damages and injunction are barred in whole or in part by operation of the applicable statutes, including 35 U.S.C. § 286.

RESERVATION OF AFFIRMATIVE DEFENSES

67. With discovery still ongoing, Matrox Tech has yet to complete its investigation. Matrox Tech reserves the right to assert any other defenses that discovery may reveal, including unclean hands or inequitable conduct.

COUNTERCLAIMS

Counterplaintiff Matrox Tech, Inc. ("Matrox Tech"), for its counterclaims against Counterdefendant Ricoh Company, Ltd. ("Ricoh"), alleges as follows:

PARTIES

68. Matrox Tech is a corporation organized under the laws of Delaware, and maintains its principal place of business at 1075 Broken Sound Parkway, NW, Boca Raton, FL 333487-3524.

69. Upon information and belief, Ricoh is a corporation organized under the laws of Japan, having its principal place of business at 3-6 1-chome, Nakamagome, Tokyo, Japan.

JURISDICTION AND VENUE

70. Counts 1 through 2 of the counterclaims are based upon the Patent Laws of the United States, Title 35 of the United States Code, § 1 et seq. The Court has jurisdiction over the counterclaims pursuant to 28 U.S.C. §§ 1331, 1338(a), 2201, and 2202.

71. Ricoh has submitted to the personal jurisdiction of this Court.

72. Venue is proper in this district pursuant to 28 U.S.C. § 1391.

73. There is an actual justiciable case or controversy between Matrox Tech and Ricoh, in this district, arising under the Patent Laws, 35 U.S.C. § 1 et seq. This case or controversy arises by virtue of Ricoh's filing of this suit which purports to allege that Matrox Tech infringes U.S. Patent No. 4,922,432 ("the '432 Patent") and Matrox Tech's Answer thereto, which asserts the invalidity and noninfringement of the '432 Patent.

COUNT 1: DECLARATORY JUDGMENT OF INVALIDITY

74. Matrox Tech incorporates by reference Paragraphs 1-73 into this count as though fully set forth herein.

75. The '432 Patent, entitled "Knowledge Based Method and Apparatus for Designing Integrated Circuits using Functional Specifications" issued on May 1, 1990. Ricoh purports to be the owner of the '432 Patent.

76. Ricoh has sued Matrox Tech in the present action, alleging infringement of the '432 Patent.

77. Based on Paragraph 58 above, which is specifically incorporated by reference into this Paragraph, the '432 Patent is invalid.

78. Matrox Tech requests declaratory judgment that the '432 Patent is invalid.

COUNT 2: DECLARATORY JUDGMENT OF NONINFRINGEMENT

79. Matrox Tech incorporates by reference Paragraphs 1-77 into this count as though fully set forth herein.

1 80. Based on Paragraphs 59 and 60 above, which are specifically incorporated by reference
2 into this Paragraph, the '432 Patent is not infringed by Matrox Tech.

3 81. Matrox Tech requests declaratory judgment that Matrox Tech has not infringed the '432
4 Patent.

5 **RESERVATION OF COUNTERCLAIMS**

6 82. Matrox Tech reserves the right to assert any other counterclaims that discovery may
7 reveal, including, but not limited to, claims arising out of false or misleading statements to the public
8 and/or customers.

9 **PRAYER FOR RELIEF**

10 WHEREFORE, Matrox Tech respectfully prays for the following relief:

11 A. that this Court deny and all relief requested by Plaintiff in its Amended Complaint and
12 any relief whatsoever, and that the Amended Complaint be dismissed with prejudice;

13 B. that this Court declare the '432 Patent invalid;

14 C. that this Court declare the '432 Patent unenforceable;

15 D. that this Court declare that Matrox Tech has not infringed any valid claim of the '432
16 Patent;

17 E. that this Court declare the case to be exceptional pursuant to 35 U.S.C. § 285 and that
18 costs of this action and attorneys' fees be awarded to Matrox Tech;

19 F. that this Court grant such other and further relief to Matrox Tech as this Court may
20 deem just and equitable and as the Court deems appropriate.

DEMAND FOR JURY TRIAL

Defendant Matrox Tech hereby demands trial by jury in this action.

Dated: November __, 2005

Respectfully submitted,

HOWREY LLP

By: _____

Denise M. De Mory

Attorneys for Defendants

AEROFLEX INCORPORATED, AMI
SEMICONDUCTOR, INC., MATROX
ELECTRONIC SYSTEMS, LTD.,
MATROX GRAPHICS INC., MATROX
INTERNATIONAL CORP., MATROX
TECH, INC., and AEROFLEX
COLORADO SPRINGS, INC.